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Southeast Asia Report



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BURMA

YOUTH URGED TO PARTICIPATE IN ARMY RESERVE

Rangoon PYITHU TATMADAW SAZIN in Burmese 15 May 83 pp 11-14

[Text] The Burmese Army which is shouldering the main responsibility of defending the integrity of the state and the Burmese Socialist Way Party should be given encouragement from all sides to be strong and able so as to be ready for action in any emergency.

From the very inception of the Burmese Army it recognized its young men as the flesh and blood of the people of the country and that they are the ones who would uphold the sovereignty of the country and become the genuine reserve force of the Army.

In order to make the existing conditions last forever the members of the Burmese Army must give weight to the responsibility of the organization within the youth.

The youth today are the liberation front of the present movements, the right arms of the leaders and the gems of the people. In 1978, at the Second Lanzin Youth Get-Together, the general secretary of the party (now president of the state) stated on behalf of the youth:

"The Lanzin Party has already decided upon the real attitude in connection with the youth. Present leaders have made decisions for the present. For the future, the next generation youth will make the decisions. The present day youth are tomorrow's leaders. Only when the present day youth are effectively natured will they be able to continue on the projects which are carefully planned now."

The Burmese Independence Army, which was established on 26 December 1941 out of the youths--the flesh and blood of the people, is now over 40 years in existence.

The Burmese Army, in its quest for independence, drove out the colonial imperialists and, with the cooperation of the people, annihilated fascism. Because it fought with relentless vigor for independence it has fulfilled the historic task of defending the independence and the integrity of the state.

The members of the Burmese Independence Army, the Burmese Defense Army, and the Yebaws (comrades) of the Burmese Patriotic forces, while discharging the responsibility of defending the country, have bravely and courageously given their lives, have become wounded and old.

The country and the people owe great gratitude, they have tremendous sympathy and have offered help to the veterans who had given their utmost for the independence of the country and who have fought against colonialism and fascism.

The Burmese Army of today which is shouldering the main responsibility of defending the integrity of the state and the Burmese Socialist Way Party must be given total cooperation and help so as to keep them strong and ready for any emergency.

If you look at the Burmese Army today you will find that they are actively crushing the insurgents who are destroying the peace and tranquility of the people in general and the Burmese socialist system in particular. They are also participating in the promotion of the country's economic, social and the development projects with vigor.

Today's Burmese Army is still in its prime--fresh and strong.

The fact that the Burmese Army is still young and strong is due to the continued support and vigorous activities of its youthful members who love the country and the people. In order to shoulder its two main responsibilities, namely, the defense of the country and the development of the Burmese Socialist Way Party, the Army, for the good of the country and the people, must constantly educate the youth and impart new ideas and encouragement.

The socialist system must be guarded constantly by increased development of the youth. The Army's organizational system should also be constantly kept alive among the youth.

In accordance with the slogan, "As you train, produce; as you produce, train," the Army in its training program is profoundly implementing the production projects. Whenever opportunities arise, the youth are encouraged to participate in the field and in production work, thus displaying how the Army loves the country and the people. In order to promote love for the country and the people among the youth the Army must show how things are done and invite the youth to these projects.

The Burmese Army, in the role of the People's Army, must not only maintain proper organization within the army but it must also work for the people in order to maintain continued rapport between the people and the Army. One must always be aware of the basic love for the country and the people. Among the organization of the youth proper education is to be given so that their love for the country and the people is viewed with true perspective.

In the present day socialist revolution the youth today must understand the knowledge of ideology and politics. They should not be unaware of the

practical developments in the quest for the building of socialist democracy. The Burmese Army, under the leadership of the Burmese Socialist Way Party, is striving to reach its goal and they will, provided that they strengthen organizational education among the youth by giving them proper military and administrative training.

5118

CSO: 4211/24

BURMA

RESERVE STRENGTH OF ARMED FORCES REPORTED

Rangoon PYITHU TATMADAW SAZIN in Burmese 15 Apr 83 pp 16-21

[Text] Bang! Bang! Bang! Bang!

There was commotion. Gun shots could be heard all over the field. Noises of confusion were in attendance.

"Tiger! Tiger! Tiger!"

In annihilating the remnants of the enemy forces by stabbing with bayonets at close quarters the cries of "tiger" bellowed out from their stomachs with vigor and overwhelmed the environment.

The scene was in 1982. The No 1 University Training Corp [UTC] was having their individual sectional training exercises. Members and students of the university gathered at their rainy season training center.

They were obviously tired.

However, one could not see any signs of fatigue on their faces.

They were alert and filled with energy.

In these exercises of the individual sectional training, the toughest and the most tiresome of all the actions was the final Tiger assault exercise.

Those who could not make it showed signs of fatigue and dropped.

This the place when one gets recognized for how tough and strong one is.

In the last Tiger assault exercise the coach payed close attention. The drill instructor may not like the action that has been performed and he may order the action repeated for better performance. His order has to be obeyed.

In this kind of military training and warfare exercises one learns proper discipline and the habit of obeying orders.

They are young individuals.

These young individuals will one day shoulder the responsibility of the state.

They are the ones who will build the country and will defend it.

In defending the country one cannot just talk about defending the country. One has to learn and have the knowledge of keen military strategy. One must have talent in military warfare.

These university students who have joined the UTC may be considered as students who are fulfilling their responsibilities and gaining experiences.

These student members of the UTC may be considered as a reserve force of the Burmese Army.

The idea of establishing the UTC and teaching the university students basic military training and giving them proper exercises is:

- 1) to give them military training for services in the Burmese Army as officers, non-commissioned officers and sergeants after they have completed their university education;
- 2) to establish a reserve force of trained individuals to be used in the defense of the country should an emergency arise. These are the objectives of such military training exercises.

By giving these students military training we will:

- 1) broaden their outlook on the responsibility to defend [Burma's] territorial integrity;
- 2) teach them to obey orders;
- 3) toughen their physical bodies;
- 4) teach them to perform collective work and cultivate comradeship.

Before the war from 1922-23 one UTC battalion was established at the University of Rangoon. The object of this establishment was solely to form a reserve force in order to supplement the imperialist British Armed Forces to subjugate the people of Burma.

The real UTC reserved battalion, for the defense of the country with real love, was established only after the independence of Burma.

The Rangoon University Reserve Battalion (now UTC No 1) and the Mandalay College Reserve Battalion (now UTC No 2) were established on 1 October 1952.

The Moulmein University Reserve Battalion (now UTC No 3) was established on 1 July 1955.

The UTC military education is given in two separate classes. Basic military education is taught in one and higher military education in another.

In the basic military training class students are trained to be infantry section commanders. In the higher military training class students are trained to be sergeants in military platoons.

In the basic military training class students are taught the philosophy of the Burmese socialist way, the fulfillment of military training, the desire to defend the sovereignty of the state and independence of the country, to co-operate with the people as a reserve force of the Burmese Army and to cultivate their minds in that direction, to have discipline and the ability to obey orders, to have responsibility and physical stamina, mental strength and ability to work together with the lower ranks and higher officers.

The military training class also teaches such subjects as military psychology, small arms, use of small arms, military strategy, health and first aid.

In the higher military training class, in addition to all the subjects taught in the basic class also taught are how to attack at close range and how to read physical maps. In the small arms section close supervision is given for both theory and practice.

In the military strategy section, not only is the conventional method of military strategy taught but also the strategy to completely eradicate the civil insurgents.

Regarding practical training of small arms and military strategy, students get to see action when they go to field training.

During field training the university students who are members of the corp are specially interested in target practice with small arms.

The knowledge they have learned about small arms, the actual experience they have, and how much they achieved are all kept on record.

It is gratifying to note that these members of the UTC are able to compete very favorably with members of the Burmese Armed Forces.

During the field training section, the last subject they tackle is the lesson they learn on long-range attack and advance.

The UTC members are quite interested in this long-range attack and advance lesson.

In this training, they learn how to advance in accordance with an established plan, how to stop and rest on the way and how to camp for the night as if they were on actual maneuvers.

Also, in the long-range attack session they are reminded to recall what they had learned about military strategy.

These trainees are instructed to cook and eat their own meals when there is a break in the training.

In the long-range attack and advance section the trainees can be tested for their ability to negotiate the obstacles on their way such as the rivers, ditches, high grounds, hills, etc.

Because of their understanding and maturity, members of the UTC are growing year by year.

In 1982 the rainy season field training for the UTC was held from 18 October to 16 November.

UTC No 1 had their field training at Tawgyidan, Twante City, Rangoon Division.

In this training session 730 university-students members of the training corp participated.

UTC No 2 had their training at She-pauk Village, at the foot of the Mont Popa, Kyaukapaung Township, Mandalay Division. A total of 353 members participated. UTC No 3 had their field training at Kyaito, Mon State.

There, 236 UTC members participated.

"Anyone who is of age and of sound health must shoulder military service and will have to be drafted into the army by law. Two or 3 years will be involved. After that, whether you like it or not, you will have to go to war. This is a responsibility."

General Aung San,
Town Hall, 13 July 1947

"I [would] like to remind--from the House of the Parliament--all citizens that they should not forget their responsibility, that is, to defend Burma from various dangers. The responsibility to defend the country is an inherent one. It is not necessary for anyone to urge you [to take] this responsibility."

President Burma Ne Win
(now chairman of the socialist party)
Rangoon, Aug 31, 1977

The natural leader, General Aung San, had directed and ordered that when an emergency arises one must, without fail, join the army and serve in the military.

The president of Burma (now chairman of the Burmese Socialist Way Party) had also reiterated the order that the responsibility to defend the country is an inherent one.

In accordance with the directives of the national leaders, students of Rangoon University should join the UTC and learn military education without disturbing their regular education. It is their inherent responsibility to be ready as a member of the reserve force of the Burmese Army.

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CSO: 4211/24

BRIEFS

KARENS AMBUSH GOVERNMENT TROOPS--Mae Sot--At least 12 Burmese soldiers were killed and 15 wounded in an ambush by Karen rebels opposite Bang Wang Kaew on Tuesday. Military sources said the Burmese were attacked as they were withdrawing from the Karens' besieged Wang Ka camp, which they had been trying to overrun for months. The Karen 101st Special Battalion was reported to be leading the attack and the Rangoon forces were still unable to retrieve the dead and wounded. The ambush followed an attack on a Karen-escorted merchant caravan in a village opposite Mae Ramat District on Monday. The Karens were reportedly escorting about 40 Burmese traders to Ban Tor Kor Kai in Myawaddi District to receive goods at a black market 5 km from the Thai border. Fighting between Burmese soldiers and Karens was reported at the rebels' Maw Po Kay camp opposite Tha Song Yang District, and at Wang Kha, despite the onset of the rainy season. [Text] [BK050208 Bangkok BANGKOK POST in English 5 Jul 84 p 5]

CSO: 4200/874

HUN SEN DISCUSSES SOUTHEAST ASIA SITUATION

Moscow MEZHDUNARODNAYA ZHIZN in Russian No 6, Jun 84 (signed to press 22 May 84) pp 13-19

[Article by Hun Sen, member of the Politburo of the Central Committee of the Kampuchean People's Revolutionary Party and deputy chairman of the Council of Ministers and minister of foreign affairs of the People's Republic of Kampuchea: "Kampuchea's Foreign Policy--A Policy of Peace, Friendship, and Cooperation"; words between slantlines published in boldface]

[Text] Five and a half years have passed since the victory of the Kampuchean people put an end to the regime of genocide of the Pol Pot, Ieng Sary, and Khieu Samphan clique. This victory signified a turning point in the nation's 1,000-year-long history, returned the people their independence, and paved the way toward the building of socialism.

Faced with the successes achieved by the country in all spheres during the last 5 and 1/2 years, Kampuchea patriots, including those abroad, experience a feeling of satisfaction and confidence in the new system. This feeling is invariably accomplished by profound gratitude toward the peoples of Vietnam, Laos, the Soviet Union, and other fraternal socialist countries.

However, looking back at the historic path traversed by the country, patriotically-minded Kampucheans cannot help but feel bitter at the recollection of the serious ordeals and the years of bloodshed and tears which fell to the lot of the people, particularly during the period when the Pol Pot regime reigned supreme.

If one recalls history it becomes obvious that for more than 2 millenia Chinese leaders regarded Southeast Asia as an object of their expansionist, hegemonist policies and Kampuchea and other countries in Indochina as their vassals. Our little country was the object of aggression on the part of the French colonizers and then the Japanese militarists and American imperialists. The aggressors trampled on our motherland, bringing destruction and untold suffering to the people and destroying families.

The historic victory on 7 January 1979 laid the foundations of the PRK. For the first time in its history our country gained real national independence and for the first time the people were able to be the masters of their own fate in

practice. In a short space of time the new power achieved great successes in all the most important spheres of the country's life. With every passing day these achievements raise the prestige of the PRK and its role in international affairs higher and higher.

Our foreign policy fulfills the party's two strategic tasks which consist in /firmly upholding national independence and in carrying out gradual transformations aimed at creating the foundations of socialist society./ We understand that our country's defense is a task of paramount importance. We also resolutely uphold our positions in the sphere of international relations. Despite their lack of experience, the Kampuchean People's Revolutionary Party (KPRP) and the government of the PRK have shown foresight and courage in this sphere and have achieved significant successes by acting in a spirit of patriotism and genuine internationalism. They have made a worthy contribution to the general cause of the party and the people and to work in national construction and in the strengthening of the country's defense.

Thus, defending the new power in the country and helping to create the international conditions favorable to restoring and developing the country are a strategic aspect of our policy. We must oppose hegemonism, imperialism reaction, and policies aimed at seizing and enslaving the countries of Indochina. Our prime tasks are to liquidate the vestiges of Pol Pot followers and other reactionary Khmer elements, to put an end to the threat of destructive war, and to strengthen peace in Indochina and in Southeast Asia as a whole.

To achieve these aims we are strengthening the combat alliance and special relations between the three countries of Indochina, our solidarity and cooperation with the Soviet Union and other fraternal socialist countries, and also our solidarity with all revolutionary forces in Asia and the whole world. We hold the banner of peace high, combining struggle for peace and stability in Southeast Asia with struggle for peace and stability throughout the world.

During past years the relations and cooperation between our people and our army and the people and army of Vietnam, and also the special relations between Kampuchea, Vietnam, and Laos have developed and grown steadily stronger.

The history of mutual relations between the three countries of the Indochina peninsula is not a simple one--it has had its problems. There have been wars, territorial disputes, and border conflicts, all inflamed by the ruling feudal classes and the reactionary accomplices of the imperialist. The people of Kampuchea and the fraternal peoples of Vietnam and Laos were the victims. /Historical experience shows that, striving to annex the three countries of Indochina, the enemy always resorted to the policy of "divide and rule," trying to sow enmity between the countries so as to weaken them and thus implement their plans more easily. The suffering borne by our people and the successes which we have achieved today convincingly testify that a split with Vietnam and Laos would lead to national ruin, while solidarity with Vietnam and Laos leads to victory.

Even in the darkest days, marked by the barbaric crimes of Pol Pot, Ieng Sary, and Khieu Samphan, our people clearly distinguished between friend and foe.

At the end of 1978, led by the healthy forces of the party, the Central Committee of the Kampuchean United Front for National Salvation urged all Kampuchians to rise in struggle against the criminal reactionary clique which relied upon support from Beijing. The front also appealed for urgent help to be given the heroic people and army of Vietnam.

The task was set of overthrowing the regime of genocide established by Pol Pot, Ieng Sary, and Khieu Samphan and of beginning the renewal of national life and the building of a peaceful, independent, and democratic Kampuchea which must embark upon the path of building socialism, pursue a course of neutrality and nonalignment in its foreign policy, and actively participate in the general struggle for peace and stability in Southeast Asia and the whole world. It is in this appeal to the people that the main slogans of the People's Revolutionary Party were contained: "Let us Raise the Banner of Patriotism and Internationalism Solidarity!" and "Let Us Unite the Revolutionary Forces of Kampuchea with the Invincible Forces of the Three Currents in the World Revolutionary Movement!" The appeal, which sounded like a war-cry, inspired all the people to struggle against the bloody regime.

The historic victory of 7 January 1979 once again demonstrated that revolution can gain the upper hand if the patriotism of the Kampuchean people relies on the combat solidarity of the three countries of Indochina and that revolution will fail if the enemy succeeds in undermining this solidarity. Proceeding from this, our party has drawn the conclusion that "the solidarity of the three countries of Indochina is a law determining the development of the Kampuchean revolution."/

In order to creatively implement this law our party and our state has set the most important task of struggling in defense of the revolutionary achievements of the three countries of Indochina. Comprehensively strengthening and increasing the unity of these states and, in particular, their coordination in determining the aims and substance of struggle, developing a united position with relation to China, and also generally relying on our strategic allies in the shape of the Soviet Union and the other fraternal socialist countries are ultimately deciding factors in the attainment of success.

For the countries of Indochina, the last 5 years have been a period of intensive struggle during the course of which numerous difficulties and obstacles have arisen. Nevertheless, they have overcome these difficulties and attained success. The international public has become convinced that Vietnam has not been weakened and that it is becoming stronger and stronger. As far as regenerated Kampuchea is concerned, it has entered a phase of stable development.

The necessity for mutual aid for the purpose of strengthening national independence is becoming ever clearer to the peoples of Indochina. The Pol Pot, Sihanouk, and Son San clique is growing weaker every day as the discord within it grows ever stronger. This fact is borne out by the failure of the main plans directed against the three countries of Indochina. The conference of the three countries' leaders, which was held in February 1983, emphasised that the revolutionary process taking place within these countries, the comprehensive cooperation between them, and their mutual trust based on their complete agreement on all strategic and tactical matters connected with revolutionary struggle have entered a new stage of their development.

In accordance with the agreement reached between the PRK and the SRV, the contingents of Vietnam volunteers in Kampuchea have already been reduced in size on two occasions. It has been decided to reduce their size every year if the situation favors this. The Vietnam volunteers will be completely withdrawn from the country as soon as the U.S. imperialists, the Chinese expansionists, and other reactionary forces stop threatening us and as soon as Kampuchea's peace and security are ensured.

The partial withdrawal of the Vietnam volunteers testifies to the fact that the PRK is still steadily developing and that its potentials for ensuring national defense and the building of a new life are increasing. In the foreign policy sphere, the fact that the main trump card used against the three countries of Indochina has been knocked from the hands of our enemies is a real result of this unilateral act of good will. At the same time, the justice of our cause and the validity of the position adopted by the community of countries in Indochina has become clearer which, in its turn, has laid the foundations for our further activity in the international arena. The hope was expressed at the Vientiane Conference of Ministers of Foreign Affairs from the PRK, the Lao People's Democratic Republic, and the SRV, held at the end of January this year, that the state of security and stability in the people's Kampuchea would make it possible to withdraw the next group of Vietnam volunteers from this country during this year.

/The policy of peace, friendship, and cooperation among the three countries of Indochina as well as Vietnam's consistent position and its fulfillment of its obligations in helping to defend our national security have met with broad approval from the world public which strives to uphold justice./

We think that, while relying upon the great and sincere support of Vietnam and Laos, our people must strive for still greater achievements at the present stage so that we can independently fulfill the tasks of building and defending our country, thereby creating the conditions for continuing the gradual withdrawal of the contingents of Vietnamese volunteers.

Failing to find new grounds both for their fabrications about "Vietnamese aggression against Kampuchea" and for further demands that Vietnamese troops be withdrawn from Kampuchea, our enemies have concocted the lie that Vietnam is supposedly "sending settlers to Kampuchea." It was in connection with this matter that the PRK Ministry of Foreign Affairs published a statement on the policy of our party and state toward Vietnamese living in Kampuchea. We have enlightened world public opinion as to the real state of affairs behind the dirty intrigues of hegemonists, imperialists, and reactionaries.

The experience of revolutionary struggle serves to still further strengthen the solidarity among the three peoples of Indochina. Common victories during the protracted revolutionary struggle and mainly victories on the diplomatic front against the common enemy help to unite the three peoples still more closely.

We have united with Vietnam, Laos, and other fraternal countries in the struggle against expansionist policy and for the achievement of peace and stability in Southeast Asia. For a long time now American imperialism and Chinese hegemonism

have steadily pursued a policy hostile to Indochina and other Southeast Asian countries. This policy poses a direct threat to peace in Kampuchea and in the region as a whole. Attempts to utilize the vestiges of the Pol Pot followers with the aim of reversing the development of events in our country, weakening Vietnam and Laos, and establishing their supremacy over them have failed. They have not succeeded in drawing the Western countries and ASEAN into a confrontation with Indochina.

The Kampuchean people have been very successful in building a new life and in strengthening their defense capability during the short space of time since the beginning of the country's rebirth thanks to the many-sided help given by the Soviet Union, Vietnam, Laos, and other fraternal socialist countries. We maintain close cooperation with Vietnam and Laos in the political, military, economic, and diplomatic spheres, holding the banner of peace, national independence, and socialism aloft. We have presented a whole series of diplomatic initiatives which have shown world public opinion who is the real source of tension and instability in the region. We have also created the conditions for progress to be made in negotiations between the countries of Indochina and ASEAN.

The decisions of the seventh conference of leaders of the nonaligned countries, held in New Delhi, on the question of the right of the Kampuchean representation and on the problems of Southeast Asia rejected the UN resolutions, imposed by Washington and its accomplices, on these matters as untenable. The conference's resolutions were a serious blow for the hegemonists, imperialists, and reactionary forces in our region which have tried to utilize the so-called "government of the tripartite coalition" in the struggle against our revolution. This fact testifies that the international public, which works for justice, is striving to pave the way to negotiations and to lessen tension in the region.

We are struggling in close cooperation with Vietnam and Laos to wreck the plans aimed at economically and politically isolating Indochina and at stirring up destructive wars. We aspire to create a new international climate which would be conducive to our national rebirth and to building and strengthening our defense capability.

We also strive to help the international public understand the concrete situation in Kampuchea and to enlist its moral and material support. All international relations were broken off during the period when the Pol Pot regime ruled in "Democratic Kampuchea," except for relations with China and a few other countries. Diplomats and representatives of international organizations were ejected from Kampuchea; journalists were refused entry into the country so as to thereby hide the crimes against the Kampuchean people from the world public.

Consequently, immediately after the victory on 7 January 1979, with the exception of the socialist states, which were already in possession of information on the crimes perpetrated in Kampuchea under the Pol Pot regime, a large number of countries and broad circles of the international public had no idea of what had been happening in Kampuchea. In view of this we set ourselves the task of exposing the crimes perpetrated by Pol Pot, Ieng Sary, and Khieu Samphan to

all the peoples of the world. At the same time we strived to show the world the process of our people's rebirth and our desire to live in peace and to disclose the secret plans against the Kampuchean people.

Appreciable success was made in this direction as a result of visits to Kampuchea by party and government delegations and representatives of mass organizations from countries on all five continents, as a result of the trial held by the People's Revolutionary Tribunal on the crimes of Pol Pot and Ieng Sary, and owing to international conferences and the open letters which representatives of our intelligentsia addressed to the United Nations relating the crimes perpetrated by Pol Pot against the Kampuchean people and in particular against the intelligentsia, Moslems, and foreigners. A series of other measures were also aimed at telling the truth about the events in Kampuchea.

The aforementioned measures made it possible for us to expose the treacherous and criminal role played by Pol Pot, Ieng Sary, and Khieu Samphan to world public opinion. Thus people throughout the world were able to form an impression of the suffering brought to the Kampuchean people by the bloody regime of Pol Pot and of the scale of the work done by us to overcome the consequences of this period. During the following years the Pol Pot regime was strongly condemned at many international forums at which prominent political figures pointed out that this regime had been even more cruel than German fascism, Zionism, and the apartheid regime.

Realizing what a heavy legacy has been left us by the bloody regime and considering the struggle of the Kampuchean people to be a just cause, all progressively-minded people the world over give us their broad support both in the political and economic spheres. As well as the broad and timely support given us by the countries of the socialist community, we can cite a whole series of examples of help given us by progressive governments and international and other organizations which made a great contribution to the cause of restoring our country during the first and most difficult stage. We are still receiving aid from a number of progressive international and other organizations at the present time.

During the recent years our achievements have become widely known, and acknowledgement of the fact that the process of progressive development in Kampuchea is irrevocable has become firmly established in world public opinion. Support is growing for our just cause and our striving to live in peace. The actions of those who strive to impede the regeneration of the Kampuchean nation and the development of revolution in the countries of Indochina are strongly condemned.

Analyzing the course of the diplomatic struggle and the activities of our state in the international arena during the last 5 and 1/2 years, we can say that great success has been achieved in wrecking the plans of enemies to reverse the revolutionary process in our country and by pursuing a policy of peacefully resolving the problems between the two groups of countries--Indochina and ASEAN--by means of negotiations. The authority of the PRK has grown and its role in international relations has become stronger. More than 30 progressive countries and movements have recognized the government of the PRK.

During a short period of time approximately 300 delegations on a government level and representing social organizations in states on all 5 continents have visited our country on friendly visits. Approximately 400 party, government, and social delegations from our republic have visited fraternal countries at their invitation.

The visit by a delegation from the PRK Ministry of Foreign Affairs to a number of African countries in the spring of this year had great significance. The states visited by the Kampuchean delegation expressed their approval of and agreement with the constructive foreign policy course adopted by the PRK which, together with Vietnam and Laos, makes persistent efforts to turn Southeast Asia into a zone of peace, stability, friendship, and cooperation. The pressing necessity to give the PRK a legal place in the United Nations was noted. The visit showed that the broad international public, including the African public, shows interest in improving the situation in Southeast Asia.

The solidarity and comprehensive cooperation between our country and the Soviet Union and other fraternal socialist countries is constantly growing and becoming stronger.

/Realizing that the Kampuchean revolution is a component part of the world revolutionary movement and that Kampuchea is one of the centers of struggle against the policies of imperialism and international reaction, the party, the government, and the people of our country strive to strengthen and develop friendly ties and relations of cooperation with the party, government and people of the Soviet Union and other fraternal socialist countries. The nature of our foreign policy creates favorable conditions for Kampuchea's rapid regeneration and for national construction on a reliable basis and thus serves the cause of preserving peace, bridling the arms race, and lessening international tension./

We have united forces in struggle in order to wreck the intrigues directed against Vietnam and the Soviet Union in connection with the so-called "Kampuchean problem" and the "Afghan problem." In addition, we have resolutely opposed attempts to split the Soviet Union and other socialist countries, the world revolutionary movement, and the peoples of Indochina. Thus the demand that the Soviet Union cease support of Vietnam's just position with regard to our revolution was rejected. The USSR's firm stand on this matter was clear testimony of the close relations of solidarity and cooperation among the three countries of Indochina and the Soviet Union.

Satisfaction with the progressive development of cooperation between Kampuchea and the Soviet Union and determination to also henceforward strengthen Kampuchean-Soviet friendship for the good of the peoples of both countries and for the sake of peace and progress were expressed during the meeting of PRK and USSR foreign ministers which was held in Moscow in April this year.

Our party and state are constantly expanding relations with the world communist and workers movement on the basis of Marxism-Leninism and proletarian socialist internationalism. The people of Kampuchea actively support the struggle for peace, national independence, democracy, and social progress. We extend constant support to the Palestinian and other Arab peoples struggling against

Israeli aggression, to the people of Namibia and other "front-line" African states standing up against the regime of apartheid, to the Chilean people battling against the bloody Pinochet clique, and to the people of El Salvador struggling against reactionary forces. We also support the republics of Cuba and Nicaragua and the Libyan Jamahiriya which are struggling against the threats of U.S. imperialism. Together with other peoples of the world we condemned the U.S. aggression against Grenada.

Being a member of the Nonaligned Movement, the PRK tirelessly struggles to implement the principles of this organization. We support in every way possible the just proposals of the developing countries to establish a new international economic order which is free of any manifestations of colonialism, neocolonialism, apartheid, Zionism, and racism.

Our people resolutely support all the proposals of the Soviet Union, the other socialist countries, the Nonaligned Movement, and all peace-loving countries in the world which are aimed at bridling the arms race, reducing arms, preventing a thermonuclear war, and supporting general peace. Thus, during the past years the Kampuchean revolution has sustained major victories both within the country and in the international arena. This is primarily the victory of the correct political course pursued by the KPRP which firmly adheres to the positions of Marxism-Leninism and is loyal to the noble cause of national independence and socialism. It is also the victory of the spirit of patriotism and the obdurate fighting spirit of the Kampuchean people who are struggling for their national independence, freedom, and right to life, and the victory of international solidarity, the close, friendly relations between Kampuchea and Vietnam, and the alliance of the three countries of Indochina. This victory has been achieved thanks to comprehensive cooperation with the Soviet Union and other fraternal socialist countries and thanks to the support of all friendly states. It is also the victory of the great efforts of our diplomacy which, with the help of fraternal countries, has once again restored the system of our relations in the international arena.

At the same time we are aware that we must not be self-satisfied with what has been achieved. We maintain our revolutionary vigilance and are ready to resolutely continue the struggle in defense of the interests of our motherland. Our people are full of determination to continue the struggle until all the plans of Kampuchea's enemies have been wrecked once and for all.

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CSO: 1800/440

JAPAN EXTENDS FURTHER \$254 MILLION LOAN

Manila PHILIPPINES DAILY EXPRESS in English 11 Jun 84 p 8

[Text] Japan is extending some \$254 million worth of loans to the Philippines this year to help stabilize the local economy.

According to a Japanese official, the amount was in addition to the \$145.8 million loan Japan extended to the country last April to finance development projects and reschedule payment of principal and interest on \$36.11 million loans due to the Japanese Overseas Economic Cooperation Fund (OECF).

In addition to loans, direct investments by Japanese enterprises in the country are rising, which as of end 1983 reached \$403.9 million.

According to Hiroshi Funakoshi, first secretary of the Japanese embassy and director of the Japan information and Cultural Center, Japan's financial assistance to the Philippines is designed to make up for the "slow" easing of import restrictions on Philippine goods.

He hastened to add, however, that Japan has taken specific steps to lower tariff barriers for Philippine goods exported to Japan.

Funakoshi, during a lecture at the Foreign Service Institute (FSI), said that Japan has actually put into effect specific steps to improve testing procedures expected to speed up entry of Philippine export goods often barred by lengthy quality control testing.

Japan has also reduced tariff rates, relaxed import restrictions and liberalized trade in services to further open and Japanese markets to foreign industrial products, including those from the Philippines, he said.

Ambassador Juan V. Saez, FSI director, invited Funakoshi to speak on the economic issues affecting Philippine-Japan relations because of Japan's commitment to help in the economic recovery program of the country.

He said that Funakoshi's lecture was "timely because of the current preoccupation of the Philippines with economic problems."

The Philippines has asked Japan to liberalize its strict regulations on documentation requirements for exports, removal of import quotas, restructuring of

the Japanese government procurement system, and removal of the selective commodity tax requirements; inclusion of the Philippine products in Japan's general systems of preferences.

Funakoshi said that Japan has to ease import restrictions slowly because it has to protect its own industries, specially since more than 34 million Japanese are also engaged in medium and small-scale industries, specially since more than 34 million Japanese are also engaged in medium and small-scale industries producing goods similar to those which developing countries want to export to Japan.

He said that the opening of the Japanese market to foreign goods does not, however, guarantee acceptance since the market is very competitive and quality is the most vital key to its penetration.

CSO: 4200/872

BUSINESS LEADERS OPPOSE MARCOS DECREES, SUPPORT CALLS FOR CHANGE

Vicente Jayme Commentary

Quezon City VERITAS in English 24-30 Jun 84 p 16

[Commentary by Vicente R. Jayme, chairman of the VERITAS Board of Management, in the "From the Boardroom" column: "Credibility of and Confidence in Government Still Very Much an Issue"]

[Text]

WITH the May 14 elections for the Batasan now over it is important that we focus in on the important tasks before us.

Last week, the business community tendered a dinner in honor of the newly-elected assemblymen in Metro Manila (NCR). During the dinner, Assemblyman-elect Arturo Tolentino, a highly respected KBL leader welcomed the offer of the business community to work closely with the Batasan members. He suggested that during these times of economic crisis, we should concentrate our concern on economic matters, and set aside our grievances which are of a political nature.

I agree with Assemblyman Tolentino that we are facing a serious economic crisis. I also agree with him that we should give full support to the efforts being made to try to solve the serious economic problems we face.

However, it may be a serious mistake to set aside or ignore the clamor of the people for meaningful changes in our political environment. Many agree with the views of Assemblyman Tolentino, expressed before the May 14 elections, that the powers of the President to legislate expired with the Interim Batasan Pambansa. If it is clear, however, that the Constitution still guarantees the power of the President to legislate, then the Constitution should be amended.

In the socio-political survey sponsored by the Bishops-Businessmen's Conference for Human Development (BBC) a month ago, and undertaken by a most prestigious group of social scientists, it showed that an overwhelming majority of the people, in all the regions of the Philippines felt that the President should not continue with his decree-making powers.

Also in question are a number of decrees (P.D.s 1834, 1835, 1836, 1877 and 1877-A) some of which the Integrated Bar of the Philippines has brought before the Supreme Court, to rule on their constitutionality. Many people view these decrees as inappropriate to a democracy. The freedom and liberties of our people are seriously subverted by the laws in question.

It is highly probable, that the big gains obtained by the Opposition in the Batasan elections were partly influenced by the strong clamor of the people for change — a strong desire for a democracy that respects the people's freedoms and the dignity of his person. They also would like a return to the practice, where their representatives in the Batasan retain the sole right to legislate.

It is believed that the reason for the continuing delay in the approval by the IMF of the standby credits for the Philippines and consequently a delay as well in the negotiations with our foreign creditor

banks, is that the IMF had wanted to await the results of the May 14 elections.

Their interest in the results of the election was not so much to know who would win, the KBL or UNIDO, or other opposition parties. Not at all. Their main concern was how the conduct of the election would be and how such conduct would affect the future stability of the country.

The concern is easily understood, if one recalls that it was a non-economic event, the assassination of Ninoy Aquino, that precipitated the start of our serious economic crisis. The murder of Aquino destabilized the political situation and with it went economic stability. The great fear then of many foreign and local businessmen for the political future of the Philippines resulted in a massive flight of capital. Many of our foreign creditors also wanted to call in their credits and began to stop extending new loans. For the first time in our financial history, we could not pay our debts and declared a moratorium on our loan payments; a most humiliating situation for a country that had so much going for it.

With the confidence of both domestic and foreign investors in the ability of the Government to put things in order, up in the air, the peso came under very heavy pressure. The devaluation of the peso became inevitable.

The death of Aquino also gave rise to a nationwide call for change, for more freedom, for a more responsive government. The spread of demonstrations to other urban centers in a way reflected the prevailing mood of the people. The very moral authority of Government came under question.

In a way, the May 14 elections allowed the people to give vent to their frustrations and to manifest their strong desire for a change — for a return to a working democracy.

The fact that the Opposition in the Metro Manila area almost made a clean sweep and gained strength in other regions, despite the massive amount of funds used by the KBL and Government and the virtual monopoly in the use of media and television must be interpreted only that the people want a change. There is a strong feeling among many people that the Opposition would have

won more seats in the Batasan if there were less irregularities, less intimidations and more fair play on the part of some government instrumentalities.

Despite the presence of some irregularities and massive use of funds to sway the judgments of voters, NAMFREL felt there were meaningful elections, in a majority of areas (up to 60%) where the will of the people prevailed.

The fear of many of our foreign creditors including friendly countries extending assistance to the Philippines was, if the elections were very dirty and because of intimidations and massive cheating the true will of the people would not be reflected in the results of the elections, then a new round of political unrest would set in.

In such a case the problem would not simply have been one of excess liquidity in view of excessive expenditures which accompanied the month before elections. The resulting unrest arising from the frustrated will of the people would again destabilize the political situation and with it the economy. There could be another round of flight of capital and certainly many of the foreign creditors and investors who otherwise might be prepared to renew and restructure their credits or infuse new investments may withdraw totally. In such a case the conditions to be required of the Philippines in order to obtain approval for the IMF standby credit would be changed and be more severe. In all likelihood the negotiations with the foreign banks would be harder.

It is in this light that the settlement of all electoral protests will have bearing on the future economic stability of the Philippines. If it becomes manifest that the protests are not being decided fairly and that there had been tampering with the ballots and election returns, then our return to political normalcy could be arrested and reversed. The candidates and the people who feel they have been cheated may show their anger and frustration in different ways. These could give rise to widespread incidents and unrest which would inevitably have adverse impact on our efforts to return to economic normalcy. It could negate the initial, generally positive, reactions here and abroad of the May 14 elections. It could also derail the efforts to solve our economic crisis. This

puts a heavy responsibility on the Comelec and other government instrumentalities to see to it that the will of the people in the areas where disputes have arisen, remain sacred and inviolate.

What is in question now, as it had been before elections, is the extent to which the Party in power and Government are reading correctly the clamor of people for change.

There were those who in the past, like His Eminence Jaime Cardinal Sin, had called for reconciliation, if we are to hold our country together. It might be wise on

the part of Government to heed this call for meaningful reconciliation. It would be a big step forward if the decrees and laws which impinge on the various freedoms of the people are done away with. If Government is intent on getting the country back on the right track so that we can pursue economic development unhampered by a divided people, then Government must go out of its way to re-establish its credibility and regain the confidence of our people. There is need to re-establish its moral authority – and the use of force can never achieve this. Only Truth, Justice and Peace can.

Jaime Ongpin Criticism

Makati MR. & MS. in Eng'ish 15 Jun 84 pp 10, 11

[Interview with Jaime Ongpin, Benguet Consolidated, Inc. director, by Michael Purugganan—"Jimmy Ongpin on the Economy: We're Going To See a Holocaust"]

[Text]

TO JAIME Ongpin, devaluation would be a serious mistake. The 46-year-old president of the Benguet Corporation had early last week warned that to allow the peso to fall at this time would be disastrous, possibly triggering widespread social unrest. Still, the mistake was committed.

Last June 5, President Ferdinand Marcos issued three presidential decrees and two executive orders outlining a package of seven stiff monetary and fiscal measures. Among these orders was one that permitted the exchange rate between the peso and the dollar to float.

And float it did. By the end of the next day, the peso fell 28.57 per cent against the dollar, fixing the guiding rate at around P18 to \$1. Almost immediately, prices of petroleum products and consumer items shot up to new highs, and long lines in supermarkets and groceries returned as people

fought what seemed to be a losing battle against inflation.

Government technocrats chose to refer to it as the 'floating rate policy', but Jimmy Ongpin, among others, thought otherwise. "What they've really done, except they don't want to call it that, is that they've devalued from P14 to P20," he asserts.

The Harvard-trained Jimmy Ongpin and the government technocrats seem to think differently in many other respects, even though his elder brother, Bobby, is the minister for trade and industry. "I disagree with them very strongly on many things," he laughs. "Almost everything."

To him though, the economic mess in general, and the devaluation in particular, is nothing to laugh about. Although the group of export-oriented companies he heads stands to profit from the *de facto* devaluation, Jimmy doesn't feel like throwing a party. And

with good reason. "This is good for my company, I should be rejoicing," he says. "But you know, 80 per cent of the people out there are going to be devastated."

"The people really are already suffering terribly from the last two devaluations," he continues. "And to place this burden on their backs when roughly 80 per cent of them cannot insulate themselves and there is no way to adjust their income, I think it's going to cause more problems in the long run."

In pushing these harsh measures, the government hoped to reduce imports and to gain the confidence of the international financial community. Jimmy Ongpin, however, doubts whether devaluation will do any good.

"The way they had the system bottled-up anyway, people couldn't import," he notes. "What they're doing is that they're making it doubly difficult for people who have inflexible peso-based incomes to live comfortably, and I don't see the point in that."

As to the question of confidence, Jimmy says we have to look elsewhere. "The reason the international financial community has lost confidence in the Philippines is that we have been fooling them," he thunders. "You know, first we finagled our reserve figures by \$600 M. Secondly, we agreed to control liquidity and what do we do? The government borrowed P5 billion from the Central Bank!"

But if it isn't to reduce imports and if the banks still look at us with disdain, why bother to devalue?

"This devaluation, as far as I am concerned, is unnecessary and was caused directly by overspending

during the election," declares Jimmy. "They allowed the money supply to get out of control, that was the problem."

"They should have prevented it," observes the younger Ongpin angrily. "Now they're making everybody suffer because they failed to prevent the money supply from getting out of hand. Then they're giving all sorts of fairy tales about why the money supply increased. The money supply increased because they overspent for the election. Why don't they say it?"

One now sees why financial editors and business colleagues refer to him as the 'activist' businessman. While he has expressed alarm over the state of the economy as early as 1981, it was the assassination of former Sen. Benigno S. Aquino, Jr. last year that prompted him to push a little harder.

Uncertainty reigned in the financial community in the aftermath of the Aquino killing last year, and businessmen began to come out and tell the government what had to be done in order to restore confidence in the system. For them, the legislative powers that President Marcos held had to be stripped, and here was where the businessman and the politician agreed.

"Unless Marcos changes his whole approach and not only agrees but initiates substantive and credible reforms, starting with giving up his powers under Amendment No. 6, no confidence will return." Jimmy Ongpin is very definite on that point.

"Confidence is at the very heart of it, it's what starts the cycle," he continues. "If you're going to have economic development, you must have investment. But people are not

going to invest unless they have confidence in the system and in the government. Right now, they don't."

Restoring credibility will be difficult, Jimmy agrees. "The best solution is for (Marcos) to retire gracefully, because I think he has lost so much credibility that, at this stage, trying to win it back is going to be almost impossible," he says. "But since he would never do that, the least he can do is begin to not only accept but initiate credible substantive reforms, starting with Amendment No. 6."

"He's got to agree to repeal it," maintains Jimmy. "You know, he has abused that power. No matter how he denies it, there are tons of evidence. Just look at the listing of all the LOIs and PDs that he has promulgated since the Batasan went into session. Clearly he did not call a caucus in every one of those, clearly there was no emergency, and clearly many of those legislative acts of his were discriminatory."

While a politician fears a legislating president can decree himself absolute power, the businessman fears him for another reason. "The real culprit are the LOIs, where he basically misallocates huge portions of the economy to his friends," fumes Jimmy. "That's got to stop. And if it never stops, all this talk about the economy improving will never occur."

Cronyism — that seems the issue at hand. "The LOIs, that's where he has taken from John and given to Bill or whoever, in a completely arbitrary fashion," he notes. "That's how he created the coconut levy, how he created the sugar monopoly and everything else. He

has disenfranchised millions of people so that he could gain control through a few of his friends, and that cannot go on. That's what has shattered this economy."

Several political figures, mostly KBL assemblymen, have urged that the first order of business of the Batasan when it convenes in July should be economic, and not political. Focusing on the economic while forgetting the political, however, won't do any good, says Jimmy.

"You hear people in the political area, these newly-elected assemblymen saying we must concentrate on the economic issues and not get bogged down in Amendment no. 6," he notes. "It's foolish, that kind of attitude. Because if you can legislate 10 thousand bills about economic measures but if you do not remove the cause of the problem which is the abuses perpetrated by the misuse of the powers of Amendment no. 6, you cannot cure the problem. Mr. Marcos will just sign any number of decrees or LOIs which would either contradict or frustrate that or go around it. So what's the point?"

The alternative, Jimmy warns, may be even more tragic. "I agree with (CRC economist) Bernie Villegas. We're going to see a holocaust and I see a gradual deterioration unless the President agrees to give up those powers which he has misused."

Should Marcos retire, however, there may be some room for optimism. "If Mr. Marcos disappears today, within a year you'll have a boom if you have a good president to replace him," Jimmy Ongpin predicts. MM

VERITAS VIEWS GOVERNMENT RECORD VS LACK OF OPPOSITION PROGRAM

Editorial on Government Failures

Quezon City VERITAS in English 24-30 Jun 84 p 4

[Editorial: "New Society Track Record"]

[Text]

ON THE rural bank circuit runs a story about the Biyang Dagat program. In due time after the program's launching in a certain area, the harvest proved rich and bountiful. But to everyone's shock and disappointment, the fish were of a bizarre species, with large heads and emaciated bodies, which did not help the poor fisherfolk at all.

The image in the story might serve as a suitable logo for a number of celebrated programs of the New Society, acclaimed in its time as the miracle strategy for livelihood and self-reliance, only to be forgotten when the fanfare died out. It also suggests the people's disenchantment with government programs, and the evident failure of the Marcos administration even in the most fundamental approaches to productivity.

So now the President chides the Opposition for lacking a program with "specific and pragmatic prescriptions" for the country's economic problems. But the people have learned enough about programs on paper. The record of failures in the last 18 years reads like a litany of clever but empty acronyms. Program after program has been launched, each one taking up where the last had floundered. To wit, the Green Revolution evolves into the KKK which eventually transmogrifies into the Sariling Sikap and recycles itself once again into the Green Revolution, but each one falling short even of its own set targets.

It is not the performance of the opposition that is being challenged now but the record of the New Society and the New Republic, and how even with the drastic measures taken to force the system to suit the President's purposes, it has yielded little but hardship for the Filipino.

Columnist: Change, Not Programs

Quezon City VERITAS in English 24-30 Jun 84 p 5

[Commentary by Melinda Quintos de Jesus in "The Human Factor" column:
"Government's Record Vs. Opposition's Program"]

[Text] I heard someone dismiss the opposition's economic program as "amateurish." It wasn't the President nor anyone of his loyal defenders. In fact when the President confronts the Opposition with the inadequacy of their program for government, he reflects popular public sentiment. The people desperately want something at this time which they don't feel they are getting from the government--something that will help them look ahead to the future.

But for all their disappointment in the Opposition, the people certainly do not see them as bearing the burden of blame for the problems that now plague the nation. That onus rests solely on the present leadership, on the President and all those he had chosen to carry out the programs of the present administration.

The Opposition's lack of a detailed platform or "specific prescriptions" does not now detract from the failure of the Marcos administration, the bungling and mismanagement that have led to the present crisis. The reaction of Mr Marcos suggests an eagerness to seize some excuse and to make scapegoats of any party, the Western press, meddling Americans, hysterical businessmen, subversive priests and of course, the political opposition.

The president had said that the Opposition would have to come up with a better program before being taken seriously. But for good or ill, people are not likely to choose at this point between the Opposition and the present regime on the basis of a program or government. Public perception of the administration's competence and credibility has dropped to such dismal levels that they are ready to consider any alternative.

People in democracies have changed leaders for much less reason. And observers feel strongly that if the powers were not so entrenched, the May 14 election could have provided the opportunity for building up a legitimate force in parliament, strong enough to pressure the President out of office and dismantle the authoritarian regime.

For their part, the Opposition would be wise not to resort to semantic contortions in the formulation of their programs just so these will appear original or different from what has been offered in the past.

People are not to be won over by a media campaign which sells brands as better on the virtue of its advertising copy or slogan. The New Society image builders have tried to do this, presenting the same concepts over and over again with different packaging. And the hard-sell approach has simply confirmed what people suspect--that the regime's development programs are no more than grist for the propaganda mill.

In setting forth a development program, a leader does not need to re-invent the wheel, or whatever basic component necessary to get the economy moving. And the approach to productivity now may not require much more than gaining public confidence, assuring human rights and civil liberties, drawing out citizen involvement and participation, convincing people that one does not seek power for oneself but to be able to serve.

That is not as simple as it sounds. And I doubt that a written program would suffice to do the job.

CSO: 4200/863

VERITAS ON SETBACKS, DOUBT IN AGRAVA BOARD'S FINAL DAYS

Quezon City VERITAS in English 24-30 Jun 84 p 13

[Article by Barbara Mae Dacanay in the "Dateline: Agrava" column: "The Games People Play To Invalidate an Investigation"]

[Text]

CORY COJUANGCO Aquino and ex-Sen. Ernesto Maceda gave two opposing views regarding the probe body's credibility, its mastery of the investigation, and its ability to attain justice for the slain opposition leader Ninoy Aquino.

Cory has consistently snubbed the investigating board despite its ability to gather testimonies that run counter to the military version of the Aquino assassination: that he was shot on the stairs and not on the tarmac as alleged by the military witnesses. She said her position remains the same from the very beginning: that she is not going to participate in the proceedings of the board saying it has taken "so long a time to decide" who killed her husband. "So many people are already disappointed," said Cory who places herself on top of the list of those who have lost confidence in the fact-finding board's lengthy judicial process.

But oppositionist campaign manager and former Sen. Ernesto Maceda, once an exile in the United States, believed that "The result of the election will boost the determination of the probe body to come out with a good conclusion."

It will be remembered that Maceda had also served as the campaign manager of the Marcos camp in 1965. Recently, he stated something about the over-all rosy future of politics in the country: "In effect, the results of the election could mandate the inquiry board to raise the Aquino issue. The probe body should be emboldened by the results of the election."

But observers are afraid of the frail future when the board will have to be incommunicado as it will review en banc the encyclopedic volume of testimonies before it finally issues its judgement, a condemnation or confirmation of the military version of the Aquino murder.

"Anything might happen in the interim," feared lawyer observer Raul Gonzales. For him, time is of the essence as far as the public clamor for justice is concerned. That view is also shared by the board's legal panel. Barrister Mario Ongkiko once said that the board will have to give its conclusion even if other vital witnesses are still missing.

THERE IS a growing feeling that the board cannot wait forever for missing witnesses who might pinpoint a con-

spiracy angle. "The people want to know everything," may simply prolong the time of investigation, without coming up with a definitive analysis of the assassination that contradicts the military version, in case the evidence warrants it.

"In a criminal case like this, I would give it 20 years," said lawyer Lupino Lazaro who represents the Galman and Oliva family. Gonzales expressed fear of possible intimidation or subtle coercion: "The integrity of the board members would matter especially in a situation in which the board would not be seen in public once it is on its home stretch towards a conclusion of the case." In almost all cases in crime stories, "crime will out," boasted the board's legal panel member Francisco Villa. But even given the most ideal situation in investigating a case, a difficult criminal case, even in fiction would usually take years to solve.

Meanwhile, some observers believe that Maceda's patience is also conditional: that he could wait for a long time only as long as the board shows the guts to go against the military version of the Aquino killing if testimonial evidence requires it. Cory, on the other hand, has kept her distance from the

board despite the measure of credibility it has earned after it was created by Presidential Decree seven months ago. The consistent stand of the Aquino family not to dignify the board recalls its apprehension that the board cannot be independent of the regime which created it and so vehemently opposed Aquino during his lifetime. As the board's General Counsel Andres Narvasa said in one of his off-hand moods: "Let me put it this way, if you were the President would you take your hands off this case?"

Public speculation was recently raised when the peripatetic board decided to embark on a far-flung investigation in Los Angeles, California to get the testimonies of voice experts, ballisticians, eyewitnesses, and other military personnel who were involved in the so-called plot to kill Aquino.

DESPITE the setbacks of the investigation abroad, the trip was fruitful for various reasons. The discouraging news that Major Ernesto Rosales would not budge an inch to name military men involved in the Aquino murder slowed down the investigation a bit. "We could not check the veracity of his statements," explained the board's public coordinator Bienvenido Tan. "There must be someone in the audience whom he feared. After all, he was a military man who knew those who could be hired to kill (or intimidate) him," a journalist explained. "But I would never accept fear as a premise (even if it is a practical explanation)," Tan argued. "I was in L.A. before the board arrived there and I must say that Rosales was very open and he was (bravely) naming names," the journalist said in private. "Now, that makes me wonder why he sealed his lips during the hearing," he added.

Tan continued, "Jose Fronda-Santos is a better witness. He was willing to stick his neck out. When he was on the witness stand and I asked him who ordered the

killing of Sen. Aquino, he said it was Gen. Fabian Ver. When he was asked again how come he knew about the order, he said he was present when the order was relayed to Aviation Security Command (AVSECOM) Chief, Brig. Gen. Luther Custodio. Fronda-Santos even stated that the order came from the President. When he was asked why he knew about it, he said he overheard the telephone conversation that allegedly transpired between the President and Gen. Ver." These are the things that the board has to look into considering that they got more information than what they needed.

Tan confirmed that the testimony of Ruben Regalado, the exiled Philippine Airlines mechanic who once testified before the Japanese nationals, emphasized that Rolando Galman whom the government said killed Aquino could not have done the act because he was in front of the slain senator. "He said he did not see the shooting and it was Celso Loterina who saw the whole thing," Tan offered. "He said one of the soldiers killed Galman but he did not specify the soldier, as he did at the NBC News in Japan that the escort on Aquino's left, Sgt. Arnulfo de Mesa, shot Galman," Tan added.

Lawyer Tan who was once with the Judge Advocate General's Office (JAGO) said that most of the witnesses like Fronda-Santos and Rosales gave conclusions more than facts. "They would talk on anything else except basic facts," Tan said while shuffling his feet, his face smiling despite the deep lines on his forehead. He said that he and lawyer Mario Ongkiko of the board had been very optimistic about the trip because they had preliminary interviews of the witnesses "who promised to tell everything which they never did once they were before the board."

"I have one clue why the witnesses abroad were uncooperative. Remember, just before the board

left for abroad, the Chairman, Justice Corazon Agrava, was reported to have allowed the AVSECOM men who were confined to quarters to be set free. Lawyer Francisco Villa said he was not sure if the request from Gen. Ver for the release of the AVSECOM men from their confinement to quarters was signed by Agrava at the airport. Whether she signed it or not, I have the feeling that it was done (or requested from her) so that Fronda-Santos and Rosales would be afraid to tell everything abroad," analyzed lawyer Lupino Lazaro.

Despite the lack of support from much awaited witnesses, Tan said he was satisfied by what he gathered abroad. "For point of comparison, what do you remember of the testimonies given by the foreign and local journalists? Isn't it that they all said they never went into the area of the moveable tube? The local journalists stayed up to the concrete tube and never went beyond it. The foreign journalists said they followed Sen. Aquino up to the moveable tube but they were not ahead of him. Now look at this picture," Tan said while he flashed a colored still photo taken from the American Broadcasting Corporation tape which recorded the arrival of Aquino from inside the China Airlines plane.

The picture showed a man facing Aquino. He was in white shirt with an auto flash camera taking a snapshot of Aquino who was being escorted out of the moveable tube just before he exited through the door leading to the service stairs. "The photo was given to me last Wednesday (June 13) in Japan by Asahi TV. They have very good equipment which can slow down a tape without distortion. I bought one machine for myself. Just look at this picture which shows a man with a camera. That could mean he had taken pertinent shots and there is a possibility that he recorded the actual shooting. We have to know him, it is imperative," Tan said

with another prize-winning smile.

"I have another picture to show you. Look at this," Tan announced like someone who stumbled into a big fortune. He was holding another colored photo taken from the ABC tape. It showed another man in front of Airman Armando de la Cruz who was stationed on the platform during the shooting. "De la Cruz said that after the first shooting he already went inside the tube and closed the door. How come we have this picture showing another man with him and they were both outside the door, on the platform viewing the scene on the tarmac which shows the dead Galman," Tan rattled like someone obsessed. No, he did not conclude that lying could be another form of a cover up. "We have to find out who was standing in front of Dela Cruz," Tan said. With the video machine now owned by Tan, there are possibilities that the other tapes might bear more revealing photos which the board will need before it can legitimately wind up its investigation. Perhaps like the formula in fiction and crime stories, the solution will come like a sign from heaven.

WHAT Tan has discovered are significant additions to the pile of photos already in the hands of the board. It seems that technology can provide for the quantum leap for the board which had exhibited in many ways its willingness to do anything just to get at the bottom of the Aquino murder. While the board is not an adversarial court, its findings which hopefully will be announced before the first death anniversary of Aquino on Aug. 21, 1984, will eventually bring the case to court.

When the board left for abroad

there were small details that needed following up in Manila. Villa who was the Officer in Charge knew that some vital witnesses, not military men, would have to take the witness stand through coercion, seduction, or the appeal for truth. But who would want to stick out their necks for truth?, one pessimist-observer asked. People are hoping Rebecca Quijano whom the board had identified as the real crying lady will be one. Max Vanzi of the United Press International said the crying lady "must have seen everything." That could be the reason why she has been evading the subpoena issued to her by the board. Despite her obstinacy, she is given the soft glove treatment. "We don't want to coerce her because we feel she could help us a lot," said Villa.

"I know her. In fact, I realized later that her family is my client. I am fighting for the case of her father, a former politician in Albay who was found dead hanging inside the comfort room of the Criminal Investigation Service," said lawyer-observer Raul Gonzales. "I was the one chosen by his family to represent the case. Later, Rebecca started calling me up for appointments which she never fulfilled. Once she said she would see me in 30 minutes but three hours had passed and she never came. She just sent a messenger to pick up the papers to be signed by her mother who is now staying abroad," added Gonzales.

If the crying lady could finally muster enough courage to face the probe body would it be the end of the already extra long investigation? "Thank heavens for crying ladies," one observer heaved with relief, as though her appearance would finally end the Agrava board's odyssey through the pages of history.

WEEKLY REPORTS OPPOSITION BATASAN WINNERS CAUCUS

Quezon City VERITAS in English 17-23 Jun 84 p 8

[Text]

OPPOSITION members of the incoming Batasan met for more than six hours at the Club Filipino in Greenhills, San Juan, last Monday without reaching a consensus on who should be their minority floorleader.

They also disappointed observers when they did not come out with any definite stand on economic problems nor with alternative programs.

They, however, agreed to form a committee to draft amendments to the election code and a nine-man ad hoc committee to formulate the parliamentary rules of the Batasan.

The caucus, which started at around 9 a.m., was attended by UNIDO, PDP-Laban, Mindanao Alliance, and Concerned Citizens Aggrupation members of the incoming Batasan in a seeming show of unity.

A source, however, said that the caucus was far from cordial and that there were several threats of walkouts. *Veritas* saw Assemblyman-elect Cecilia Munoz-Palma leave the caucus before it ended.

"Masama na ang pinag-uusapan nila," she told *Veritas* when asked why she left early. She refused to elaborate.

A source said that Justice Palma was visibly shocked and upset over the strong exchange of words among the Opposition assemblymen.

ONE of the thorny questions that were left unresolved was the choice of the Opposition candidate for minority floorleader. While former Speaker Jose B. Laurel Jr. was earlier reported as a shoo-in for the position, there were some assemblymen-elect who preferred former Senator Eva Estrada-Kalaw, the topnotcher in Manila.

The problem of unifying all opposition groups under one party also continues to bug the Opposition. One main stumbling block to the formation of a single party is the personal ambitions of the various opposition leaders. A number of them are known to be nursing presidential ambitions and this may keep them from effectively joining hands with one another.

Homobono Adaza, President of Mindanao Alliance, said that he is in favor of the formation of only one opposition party if they are going to have an elective party president who has no presidential ambitions, a party secretary-general, and a party spokesman. He said he will not agree to having a party president who wants to be president.

Eva Estrada-Kalaw, UNIDO vice president and president of a Liberal Party wing, said that she favors the unification of the entire opposition but added that its mechanics are still being studied.

PDP-Laban, however, has already announced that it is not willing to lose its identity and fall under the wings of the UNIDO or whatever party that may be formed. This party did not enter into a formal coalition agreement with UNIDO in the May 14 election. Thus,

UNIDO candidates ran against PDP-Laban candidates in several constituencies like Olongapo City, Sorsogon, Albay, Nueva Ecija, Camarines Sur, Davao City, and many others.

An "achievement" of sorts during the caucus was the formation of a nine-man ad hoc committee to formulate proposed rules of the Batasan. Assemblyman-elect Ramon Mitra said that the members of the committee, aside from himself, are Edmundo Cea, Neptali Gonzales, Cesar Climaco, Rogaciano Mercado, Luis Villafuerte, Speaker Jose B. Laurel, Kalaw, and Adaza.

Speaker Laurel said that under the present Batasan rules, they don't know when to stand up and fiscalize. - ELD

CSO: 4200/863

VERITAS CALLS FOR CITIZEN SUPPORT OF OPPOSITION IN BATASAN

Quezon City VERITAS in English 24-30 Jun 84 p 4

[Editorial: "Citizens Should Mobilize"]

[Text]

WHEN the interim Batasang Pambansa was dissolved last January 30, its record was ritually hailed by the President.

During its six-year term, the assembly registered impressive statistics - 7,512 parliamentary bills, 66 Cabinet bills and 640 resolutions. Duly noted were the legislation for the orderly transition from presidential to parliamentary system, the acts for government reorganization, eradication of graft and corruption, effective management of peace and order, agrarian reform, the closing of the gap between the rich and poor.

For all that, however, the interim Batasan will go down in history as the rubber-stamp of an imperial presidency, this despite the painstaking work of a few oppositionists whose voices in the parliament gained little resonance outside of its walls. No one was listening then, no one really cared or had any hopes for what the Batasan could do.

From the very beginning, the people saw the Batasan as an instrument that could be manipulated only to serve the purposes of the Marcos administration. The people had little to do with its formation and with the selection of their 'representatives.' Such a representative body could only be an anachronism in an unchallenged authoritarian system.

Things will be a little different when the new Batasan meets on July 1. While certain very real limitations to genuine legislative power still hold, the infusion of new blood into the assembly heightens public expectations of the parliament. That sense of expectation may be a crucial ingredient and may determine new directions for the Batasan.

Already the mechanism for a citizens' watch are in the making. If it can be as effective as the citizens' movement for honest elections, the Batasan may yet evolve as an instrument for much needed change.

Because the opposition and independent sector in the assembly remains a minority, they need the support of the forces outside the Batasan, the concerned citizens who must once again mobilize in strength to make this Batasan responsible to the public will.

COLUMNIST DISCUSSES LEVEL OF PRESS FREEDOM

Quezon City VERITAS in English 24-30 Jun 84 p 4

[Commentary by Salvador P. Lopez in the "In the Light of Truth" column: "The Press as Vanguard"]

[Text] **W**HENEVER I am invited to give a lecture abroad on conditions obtaining in the Philippines, I have learned to expect a question likely to be asked on the state of the Philippine press. It never fails. Nearly a year ago at Stanford University in Palo Alto, last January at the East-West Center in Honolulu, and more recently in Tokyo at the International House of Japan, I gave my standard answer, namely, that there does exist a somewhat wider scope of press freedom in the Philippines today. But I couple the statement with a caveat: the relaxation of press controls is on sufferance of President Marcos and by his leave, not because he respects freedom of the press as the constitutional right of the people, or because he recognizes it as an essential tool of national development and well-being.

I then go on to say that during the past several months the Philippine press has become more free than at any time since September 21, 1972. The relaxation of press controls, however, has been carefully calibrated. The principal daily newspapers with the largest circulations continue to operate on a short leash. But many new magazines and newspapers have been allowed to publish without prior license. In recent times there have been no arrest of newspapermen or expulsion of foreign correspondents. Except for one or two maverick stations, the audio-visual media — radio and television — continue to operate basically as conduits of government propaganda. Nonetheless there is no question that we enjoy in the Philippines a larger measure of press freedom than the people do in Indonesia, Malaysia or Singapore, not to mention China and the Soviet Union.

As a journalist before the war and, after a lapse of 40 years, during the past more than three years since January 1981, I have functioned as such under radically contrasting conditions. Whereas I enjoyed freedom of the press in the traditional Western or American format before the war, I have functioned since 1981 under virtual martial law conditions. I have thus seen the Philippine press transformed from being the freest in Asia and one of the freest in the world, to one that has been severely controlled and repressed since 1972.

It is in this frame of experience that I view with measured satisfaction the state of the Philippine press today. It is not the best in the world and it is not anywhere as good as we used to have but — let's face it — it is not as controlled as the press in many countries around us.

Shouldn't we be grateful for little favors? Perhaps we should, without forgetting of course that there hangs over our heads like a sword of Damocles the notorious Amendment 6 reinforced by Presidential Decrees 1834 and 1835.

In 1978 UNESCO adopted a Media Declaration for the purpose of establishing "a new equilibrium and greater reciprocity in the flow of information" between developed and developing countries. That might well be a desirable objective especially for the authoritarian governments of Third World countries that do not want to have American or European correspondents snooping around and reporting on things and events as they see them. But when I read the UNESCO Media Decla-

ration, I want to know what is its significance for me as a practising journalist in a Third World country that is under authoritarian rule like the Philippines? The objective of assuring a greater reciprocity in the flow of information between the Philippines and the United States, or between the Philippines and Germany, Britain, France, etc. becomes rather ironic in a situation where I have to buy foreign newspapers and magazines in order to find out what is going on in my own country.

What concerns me as a Filipino citizen and journalist, after all, is not what Americans or Europeans read in their papers about the Philippines, but what I am permitted to read or report in the Philippine press, radio and television about my own country. Of course, I am interested as a matter of principle in the free flow of information between countries, but what directly and immediately concerns me is the free flow of fair, full and balanced information within my own country.

The important thing is not that the media should have no biases or prejudices: they could become insufferably dull without their special hang-ups. The important thing is that the public has before it a variety of newspapers or radio and television stations -- a veritable smorgasbord of information, or even misinformation, yes, including prejudices, to choose from. Let every person pick his food -- or his poison -- from the smorgasbord just as he pleases. *Caveat emptor* should be the rule.

Under the existing authoritarian regime, only a press that tries constantly to test the limits of freedom and to extend its scope can help to bring about the eventual dismantling of the system and the construction of a free society.

A free press or a press struggling to be free is the indispensable guide and leader at the vanguard of a peaceful revolution. It must show the way as well as articulate the hopes of an awakening people. It cannot simply stand and wait until all the conditions are ripe for liberty to be born or reborn, full-blown like Venus, on the ocean foam.

CENTRAL LUZON TROOPS PRIORITIZE CIVIL RELATIONS

Manila BULLETIN TODAY in English 11 Jun 84 p 5

[Text] San Fernando, Pampanga (PNA)—Brig. Gen. Jose Magno, Jr., commander of the Regional Unified Command (RUC) in Central Luzon has directed military authorities in the region to give top priority in solving problems and complaints of civilians against military personnel.

Magno and his staff have been conducting a series of inspections of military units in Central Luzon and directing their respective commanders to further improve their dialogues and relations with the civilian populace.

Magno described military-civilian relations in some places in the areas as "not good" but sincere efforts are being undertaken to bring the military close to the people.

One case ordered by Magno to be given top priority is the complaint against some personnel of the Constabulary detachment in Carmenville Subdivision, Angeles City, where men were allegedly detained and later found dead under the Manila North Expressway viaduct in Apalit, Pampanga.

Magno relieved Friday the entire seven personnel of the detachment with an airforce team headed by Col. Benito Damos on orders of Gen. Fabian C. Ver, Armed Forces chief of staff.

Magno ordered Armymen to investigate thoroughly the complaint so that appropriate actions could be taken against erring military personnel.

Earlier, Brig. Gen. Bienvenido Felix, regional PC-INP commander, directed the Criminal Investigation Service (CIS) to investigate the death of the three men and file court martial charges against any soldier found involved in the killing.

Felix said that he has activated the Regional Civil Relations and Information Unit (CRIU) to coordinate and supervise civil assistance projects and community relations activities in Central Luzon.

The Regional CRIU, under Maj. Carmelino Samson, will also supervise and coordinate the holding of the free medical and dental treatment projects of the Constabulary in depressed areas in the region. (PNA)

CSO: 4200/872

IMF VIEWS ON LIQUIDITY EXPANSION CAUSES

HK030147 Manila BUSINESS DAY in English 2 Jul 84 p 2

[Article by Rigoberto D. Tiglao: "IMF Says Government Loans From CB Main Reason for Rise in Liquidity"]

[Text] The International Monetary Fund (IMF) attributed the expansion in liquidity--total supply of funding available--during the last five months, which consequently fueled inflation, mainly to the borrowings of the national government from the Central Bank [CB], a BUSINESS DAY source close to the IMF said.

The source said this was one of the major findings of IMF management based on the report of a two-man mission that was sent to the country in May. That report was the main agenda during the IMF executive board's consultation meeting held June 29. IMF consultation meetings are mainly on the executive board's assessment of whether a country's exchange rate policies and actions violate rules stipulated in the IMF articles of agreement.

The IMF findings may have weakened the government's bargaining position for the coming negotiations on the \$650 million standby credit the government has asked. The surge in government borrowings has cast doubts on whether the government can carry out the economic adjustment program it told the IMF it would pursue to weather the country's debt crisis. This comes at a time when the government still has not recovered the loss in creditability it suffered as a result of the discovery that it had been overstating its reserve of foreign exchange since 1981.

Reversed: The national government borrowings were definitely not the sole reason for the expansion in the money supply but it was, in the IMF management's view, unexpected and unusually large so as to substantially reverse monetary authorities' progress in implementing the policy to cut down liquidity, the source said. The escalation in the national government's borrowings from the CB by about P4.4 million during the first five months was already way above the ceiling on the amount of increase the government told the IMF it had set for the entire year.

(The other reasons for the expansion in liquidity the IMF found were those it had expected since January. These were the huge overdrafts and emergency loans of the CB to beleaguered commercial banks and financial institutions;

the losses incurred by the CB in the forward exchange contracts it entered into; and the fact that much of the peso counterpart for servicing foreign debts had not been turned over to the CB. According to the source, however, a particular CB policy involving a major state-owned bank also had in effect offset recent CB efforts to cut down liquidity.)

Because of the surge both in government borrowings and expenditures, the monetary targets--ceilings on the growth of money supply and credit and of inflation--the CB had committed to the IMF were exceeded. Consequently the CB is now revising the ceilings. The IMF would again have to evaluate the new ceilings to see whether they will be realistic, consider the volume of money already released into the financial system.

Inflation: According to the IMF findings, inflation in the country--which reached 40.8 percent in April--is basically of the "cost-push" type: the general increase in prices was due to the effects of the first two devaluations of the peso and the inavailability of imported inputs for industry.

[HK030149] The IMF also found that, contrary to IMF recommendations, the CB failed to control the growth of money supply which expanded by a postwar record rate of 42 percent in May--substantially because it failed to control government borrowings. The money expansion worsened inflation as more money was released into circulation, further pushing up prices which already were rising not only because of the higher costs of production inputs for commodities but because of speculative buying by consumers.

BUSINESS DAY earlier reported that on the basis of CB statistics, net CB credits to the national government expanded by P [pesos] 4.9 billion in April alone. CB credits have been considerably reduced since then, but latest CB data indicate that net credits to the national government as of 15 June stood at P17,177 million, or about P2.5 billion more than the outstanding P14,638 million in government credits in early May.

The source said the IMF management was not satisfied with government authorities' explanation that the jump in government credits from the CB were due to the fact that there had been an increase in infrastructure projects during the summer months. Government officials also claimed that the sharp increase in government loans was caused by a drop in government revenues and the redemption of treasury bills by the CB.

If infrastructure projects were to push up government borrowings from the CB, they should have been cut down because they contradicted the monetary policies agreed upon with the IMF, the source claimed.

BUSINESS DAY also learned that the monetary authorities had been informed of the IMF's previous findings in May. In an attempt to reverse the IMF findings before the 29 June executive board consultation meeting, government devalued the peso and increased taxes on petroleum products and on imports in order to meet the IMF targets on the budget deficit. The IMF had also warned the government that unless government took drastic steps to reverse the growth of liquidity and stop government actions that would expand money supply, it would not meet the economic targets for 1984 it promised to the IMF.

WEEKLY REPORTS ECONOMIC PROBLEMS, DISSENT IN VISAYAS

Manila THE MANILA PAPER in English 11 Jun 84 p 3

[Text]

THE Philippines has often been referred to as a land of contrasts. There is widespread poverty amid abundance, and people's protest behind the iron walls of repression.

The Visayas region is no different from conditions now being witnessed in Mindanao and Luzon. Composed of several islands in the central part of the Philippines, the region is a rich agricultural area annually exporting millions of tons of sugar, coconut, rice and other products. It also has substantial deposits of important minerals such as copper, gold and nickel.

Against this backdrop of natural wealth are the region's hungry and destitute constituents. In Eastern Visayas, as of 1980, about 82.4 percent of pre-school children were suffering from first degree malnutrition. The Food and Nutrition Research Institute further revealed that the region's population consumed only 59 percent of what they considered a wholesome diet. The situation in Western Visayas was almost the same, with 83.4 percent of school-children, malnourished. It is thus no surprise that 76 out of 100 infants did not live

long enough to reach their first birthday.

There have been government claims that the unemployment rate, set at four percent, is relatively low. However, the figure has been disputed since certain groups have been left out of the category. There were almost half a million youths who were not included in the survey but were in fact working in farms. Far from government statistics, *Business Day* reported that in 1981, the unemployment rate was 10.9 percent of the population.

Agriculture still has the biggest share of the labor force, absorbing more than 50 percent. They have for years been active witnesses to an oppressive system, still unchanged by what the government claims as the cornerstone of the New Society since 1973 — the land reform program.

ECONOMIC exploitation is apparently not enough, for terrorism must be resorted to in order to quell the stirrings of dissent.

The past years saw the build-up of military forces in the region to buttress pacification and anti-insurgency campaigns. Last August 1983,

military forces were redeployed in Northern Samar with units of the Philippine Constabulary (PC) concentrated in town centers. Combat troops such as the 15th and 19th Infantry Battalions of the Philippine Army (IB-PA) were sent to the barangays. In this area of the Philippines alone, regular army troops have been estimated at 1,500 to 2,000 officers and men. So-called special forces were composed of some 500 to 600 men. The number of PC soldiers was estimated to be around 1,200, the Integrated National Police (INP) with 600 and the Integrated Civilian Home Defense Force, with 1,000. Moreover, there were some 700 army reserves ready for combat upon instructions of the regional command.

Studies by human rights groups have noted a trend in military tactics — the use of quasi-religious sects to disseminate black propaganda regarding the people's protest movement and form intelligence networks.

In desperately trying to abate organized and militant protest, countless civilians have become easy prey to these Detainees of the Philippines reported that in 1982, 226 persons were arbitrarily

arrested throughout the region on mere suspicion of being subversives, and 15 salvaged or summarily executed. The next year, 158 persons were arrested for exercising their rights to free speech, press and assembly; 42 were found salvaged and 13 reported missing. There seems to be no end to these atrocities as signified by reports in recent months.

WHAT interests lie in the Visayas region that they have to be defended at such brutal dimensions,

The poverty-stricken Visayas region clearly shows that benefits from such industrialization schemes are not for the Filipinos. Funded by the Asian Development Bank, the International Monetary Fund, the World Bank and a host of other financial agencies, these programs serve to facilitate profit-earning ventures of foreign investors.

The biggest sugar corporations in the region have American equity and investments. These corporations are well-financed and locked with banks and other investment houses. Through a system called interlocking directorates, corporations are now in possession of almost total control of the market, leaving out local industries with only two options — either sell out or be edged out of competition. In his article *A Preliminary Study of Inter-*

locking, John Doherty stated that four banks have 18 direct interlocks with nine sugar mills. Manila-bank has interlocks with four mills, and the Far East Bank and Trust Company with three sugar mills.

The largest logging corporations in the Visayas region are controlled by the American-owned Insular Lumber Company. On the other hand, Japanese fishing vessels comb the waters for schools of tuna and fish to transport to Japan. Operating through Filipino dummy corporations, these Japanese fishing vessels deplete the sea resources and leave Filipino fishermen at a great disadvantage.

The people of the Visayas region are slowly firming up their decision regarding their situation, as seen in mushrooming organizations clamoring for freedom from political and economic bondage. Whatever they decide to take on as a people will have to match the strength of giant corporations, the US administration and its local ally, the Marcos government. More importantly, they must never lose sight of the fact that the overriding drive of government to satisfy the wants of foreign investors, and an increasingly brutal repression campaign, are simply superficial ways to mitigate a situation that is today breeding a burgeoning revolutionary movement in the country. —
Contributed

BUSINESSMAN LINKS PRIESTS, NUNS TO EXPORT ZONE UNREST

Manila BULLETIN TODAY in English 11 Jun 84 p 36

[Article by Efren P. Molina]

[Text]

BALANGA, Bataan — A business executive criticized yesterday a religious group for allegedly inflaming the labor unrest at the Bataan Export Processing Zone (BEPZ).

The executive, who requested anonymity, urged the group to keep their hands off the BEPZ labor issue and confine their apostolic work in areas where the people need them most.

The workers, he said, are apparently encouraged by priests and nuns to stage strikes in BEPZ firms. He said that the frequent holding of strikes in the zone is part of a scheme to discredit the administration.

He said some factory workers had confided to him that labor leaders are being supported by a religious congregation in carrying out strikes. He said these leaders are guided in their strike plans and strategies.

Last week, he said, some priests and nuns had visited the striking workers, most of them women, at the strike area. The workers were advised to guard against pressure to stop them from pursuing their demands, the executive said.

According to him, the priests were in casual attire. He said the group moved around and held

group meetings with the strikers.

Deputy Labor Minister Carmelo Noriel and EPZA Deputy Administrator Antonio Macalinao have settled the sympathy strikes but the regular strikes in four BEPZ firms continue.

The sympathy strikes reportedly impaired and caused firms undue losses.

Meanwhile, Lt. Col. Eufemio O. Esturas Jr., BEPZ police chief, said that Ed Capuyoc, chairman of the Bataan Alliance of Labor Organization, and other labor leaders have been banned from entering the zone.

CSO: 4200/872

STRIKES, DEMONSTRATIONS PLANNED AGAINST ECONOMIC HARDSHIPS

Quezon City VERITAS in English 24-30 Jun 84 p 6

[Article by Gigi S. Oyog: "Situationer--Rallies, Work Stoppages Planned"]

[Text] Much more than the perceived uselessness of the new National Assembly or the absolute powers of Amendment No 6, ordinary Filipinos will surely understand and concede to the reality of the present economic hardships. Already they buy less goods for so much more pesos.

The two oil price hikes decreed in only three weeks of each other, the three devaluations of the peso (the last, a de facto devaluation), the consequent increases in the prices of basic commodities all have punishing effects on the people. And they are the issues that the Alliance of Multi-sectoral Associations, the Coalition of Organizations for the Restoration of Democracy, and Gabriela, a feminist organization, will take to the streets when they hold the first rally this afternoon (June 21) in Makati since the elections last May.

In their manifesto, Ama, Cord, and Gabriela assailed the recent floating of the peso which, though not unexpected, was no less hurtful because the people have not yet recovered from the two devaluations in 1983.

Furthermore, they do not believe that the measures President Marcos had taken supposedly to benefit the economy will work. They said that the Marcos administration must then resign since it cannot bring the people out of the present "impasse."

In a similar statement, the Nationalist Alliance for Justice, Freedom, and Democracy--National Capital Region attributed the economic deterioration to the President's ready submission to the restrictive austerity measures dictated by the World Bank and the International Monetary Fund.

The rally, dubbed Kasalanan ng Bagong Lipunan will have speakers representing the student, housewife, labor, industrial, business, banking, economic sectors with a special appeal for participation to all housewives.

In the meantime, the more militant labor groups may yet make true its threat to stage work stoppages.

The Pambansang Koalisyon ng mga Manggagawa Laban sa Kahirapan earlier warned of some action should they feel that President Marcos had ignored their calls to return all prices to levels before the imposition of the three per cent ad valorem tax on oil last May 17, or if not, to increase the P8 wage hike under Wage Order No 5 legislated last June 12.

According to Bonifacio Tupaz, secretary general of the Trade Unions of the Philippines and Allied Services (TUPAS) and cochairman of the PKMK, the presidents of local unions affiliated with TUPAS were willing to go through with the work stoppage.

As of presstime, however, Atty. Rolando Olalia, chairman of the Pilusang Mayo Uno and the PKMK, declined to issue a statement until after thorough discussions among its leaders have been made.

The PKMK, which also includes independent unions which do not belong to either the TUPAS or the KMU, was still studying the matter yesterday afternoon. If it decides to go on with the stoppage, sources say that about 2,000 factories nationwide will be affected and will involve at least one million workers.

Tupaz admits that workers who will take this step will sacrifice a great deal, like losing hours' or even days' worth of precious work pay and that he himself is not so hopeful that the President and government officials will indeed listen and grant their demands. But he said that it needs to be done to call attention to the plight of laborers who bear the burden of ever-increasing prices of basic commodities and inadequate pay.

CSO: 4200/863

ECONOMIST SPEAKS ON 'NEOCOLONY' STATUS

HK040201 Manila BUSINESS DAY in English 3 Jul 84 p 5

[Report: "Crisis Rooted in RP's Being a Neocolony, Says Economist"]

[Text] There are no short-term solutions to the economic crisis plaguing the country, economist Alejandro Lichauco told an audience of students, workers, religious, professionals and businessmen at a "people's conference on the economic crisis." Liquidity, he said, "is the least of our problems."

The Friday conference was sponsored by the Coalition of Organizations for the Restoration of Democracy (CORD).

The root of all these problems (the lack of foreign exchange, the declining value of the peso, etc.), according to Lichauco, lies in the Philippines being a "neocolony, a victim of U.S. imperialism." This has led to "underdevelopment" or the incapacity to make one's own means of production.

And the first step to the resolution of the crisis, Lichauco proposed, is a "national war against American imperialism."

Lichauco assailed the institutional Church for being blind to the issue of American imperialism. Lichauco quoted Cardinal Sin as saying the country "looks to the U.S. as a great friend in time of need."

IMF Policy: The economist also explained that the IMF policy towards Third world countries "is designed to suppress efforts to develop." This has resulted in tight credit, devaluation of the peso and continuous importation of basic raw materials and machinery. "We can't even make bread because we don't have our own machines. Neither can we manufacture screw drivers."

Saying "this is no time to mince words," he proposed that the Philippines build a political and economic leverage to bargain with the IMF. One way, he said, is to develop full relations with socialist countries as what India and Yugoslavia did.

Closed-door Policy: Then the country can close its doors, but "not absolutely," and import on a selective basis. Asked what maximum position the nationalists can take on the foreign debt issue, he replied: "Forget the debt." The natural

reaction for the IMF would be to stop all loans to the Philippines, he foresees, "but then, we can surround the (American military) bases."

He believes that the \$650-million loan being negotiated with the IMF is much delayed because the private international banks "are seriously considering not lending us." He explained that the IMF is "holding out because they have been informed that even if it recommends the loan, it will no longer be followed by the commercial banks.

"They have been taken for a ride by the IMF as much as we have been because they relied on the IMF endorsement alone," he added.

'Nonbankable': For Lichauco, the Philippines is considered "nonbankable" yet it has always gotten the IMF endorsement. This is so, he said, because the IMF is committed to foster the economic ideology of free trade of which the Philippines is one adherent. "Free trade is the basis of colonial economic relations which enables the dominant country to penetrate the small one," Lichauco explained.

The lessons to be learned from the economic crisis, according to Lichauco, are the need to be self-sufficient in both industry and agriculture. Lichauco said a country, to be self-sufficient in agriculture, needs to develop its industry to build the tools to develop agriculture.

CSO: 4200/871

PHILIPPINES

GOVERNMENT MAY REIMBURSE FERTILIZER COMPANIES

HK290835 Quezon City Maharlika Broadcasting System in English 0400 GMT 29 Jun 84

[Text] The government is seriously thinking of floating debt instruments such as treasury bills to raise funds to reimburse fertilizer companies' unpaid subsidy claims. The move is aimed at strengthening interest payments and lowering fertilizer prices.

Fertilizer and pesticide authority administrator Miguel Zosa said Prime Minister Cesar Virata has agreed to this move and steps are already being carried out to implement this. Reacting to adverse reports that the fertilizer pricing mechanism included interest on [word indistinct] subsidy claims of fertilizer companies, Zosa said there was nothing scandalous about it. He explained [words indistinct] the settlement of some 500 million pesos [words indistinct] were due to auditing procedures and budgetary constraints.

Reacting to this issue, outgoing Assemblyman Jeremias Montemayor, concurrently president of the National Congress of Farmers Organization, or NCFO, suggested ways in order to lighten the burden of the farmers:

[Begin recording] From now on we are asking that farmers' cooperatives be made dealers of fertilizers so that their members could further avoid paying more than they should for the fertilizers and other inputs. And also we requested that from now on there should be no decision made without consulting the farmers' organizations, especially the organization of small farmers.
[end recording]

CSO: 4200/871

REPORTAGE ON RICE CROP, SUPPLY SITUATION

Crops Rotting in Rains

HK030143 Manila TIMES JOURNAL in English 2 Jul 84 pp 1, 2

[Article by Marlen Ronquillo: "Palay Harvests Rotting in Rain"]

[Text] Monsoon rains have formed a deadly combination with the spiralling prices of fertilizers and pesticides to make the rice situation in the country look bleaker. Reports from Central Luzon said weeks of unrelenting monsoon rains in the area have taken their deadly toll on palay harvests and other cash crops whose planting had been delayed by the drought early this year.

To make matters worse, sources said farmers are now planning to switch "on a massive scale" to the traditional low-yielding rice varieties if the government cannot check the unreasonable rise of prices of farm inputs like fertilizer and pesticides.

Only the other day, Food Minister Jesus Tanchanco said the buffer stock of rice will last until the next harvest in September and will be bolstered by crops expected to be available next month. Aside from this, he said the government has ordered the cancellation of export contracts for 150,000 metric tons of rice to strengthen the buffer stock.

Tanchanco's assurances came in the wake of a TIMES JOURNAL story two days before that for the first time since the country attained self-sufficiency in cereal production, the government planned to buy 150,000 metric tons of rice from Thailand and China at \$250 a metric ton to augment the country's rice reserves which had been depleted by massive hoarding.

It was not immediately clear if Tanchanco had been informed of the disastrous effects of the rains on Central Luzon crops earlier.

Farmers in Lubao and other parts of western Pampanga reported heavy damage on their harvests--rice and other cash crops like onions--because of the rains and the lack of drying facilities. They said the harvested palay and onions were rotting in rain-drenched fields.

In Nueva Ecija, 500,000 bags of onions harvested in the farmlands along Pantabangan have started to rot.

The shift from the high-yielding rice variety to the low-yielding ones is reportedly being planned by farmers to save on the cost of fertilizers and pesticides. The farmers agreed that such a shift will result in a "major disaster" in the government's drive to boost rice production. But they added that there was not much they can do, with the unchecked rise in the price of farm inputs.

A top farmer leader was reportedly consulted by three regional presidents of a major farmers' group on the plan. When asked why the farmers were intent on the shift, the leader said: "The farmers believe that the 60 cavans per hectare they would get from planting low-yielding varieties without using farm inputs will give them more income than getting 100 cavans per hectare by using fertilizer, pesticides and other chemicals extensively."

Farmers normally use five to six cavans of fertilizer per hectare, four bottles of pesticides, chemicals to kill weeds and other farm inputs for the modern rice varieties. These expenses do not include the money paid to farm hands.

Last week, the farmers said the government has allowed fertilizer firms to charge more than p [pesos] 23 a bag of urea to cover a debt of about p 490 million the government owes manufacturers under the scrapped fertilizer subsidy program.

On top of the subsidy payment, the government imposes a 10 percent ad valorem tax on fertilizer imports. The tax has also helped raise the price of fertilizer "beyond the reach of small farmers," the National Congress of Farmers Organization said.

The sources estimate the country will lose 30 percent of the 150 million to 160 million cavans of palay produced yearly if the proposed switch is pushed through.

A long drought has depleted the country's rice reserves.

The current government price for fertilizer in most farming areas is p 152 to p 153 per 50-kilo bag. In addition, p 20 is charged to cover handling and storage and give the dealers a p 2 make-up.

Food Minister ... Rice

HK020745 Manila Far East Broadcasting Company in English 2330 GMT 1 Jul 84

[Text] Food Minister Jesus Tanchango says the government will seize all hoarded rice and palay stocks, and the hoarders will be prosecuted. The food minister announced the government action in response to the order by the president for a weekly inventory of rice and palay stocks and for a close monitoring of the cereal trade. Tanchango said more monitoring teams will be fielded to curb rice hoarding and overpricing.

The move by the food minister followed reports that cereal price manipulators and hoarders are behind the rice shortage in the markets and the overpricing of the staple. Retailers said they were forced to jack up their prices because rice traders sell rice to them at already high prices.

At the same time Food Minister Tanchango gave the assurance that there are ample rice supplies. He said 1 million metric tons of rice are restocked in government warehouses and in the private sector. He also said the government is intensifying its palay purchasing program.

CSO: 4200/871

MINORITY TRIBES VOW TO PROTECT ANCESTRAL LANDS

Manila BULLETIN TODAY in English 11 Jun 84 p 28

[Article by Isidoro Chammag]

[Text]

Bontoc, Mountain Province—
 "Land is life.
 And life is sacred specially
 when its earth
 had been fertilized and blest
 by the blood,
 sweat and caluses of our
 forefathers who
 bequeathed to
 us through a
 chain of generations the sources
 of our livelihood."

"We will defend our land to
 the last drop of
 our blood just
 like our forefathers who did
 it before us."

Thus declared
 Mario Yag-ao of
 Bugnay, Tinglayan, Kalinga-
 Apayao; and Ama
 Mangatan of

Annabel, Sadanga, Mountain Province, two Igorot leaders who spoke during the Cordillera People's Congress for the defense of ancestral lands and self determination which was held for three days from June 1 to 3 in this capital town.

Yag-ao, president of the Kalinga-Bontoc peace pact holders association, and Mangatan, former mayor of Sadanga, were among 250 delegates from the hinterland villages of the Cordilleras who discussed ways to prevent the further encroachment by private enterprises and by government agencies into the hunting grounds, lands and domains of the tribal Filipino minorities in the Cordillera mountain ranges.

The delegates were composed of Igorot village elders, leaders and farmers from all over the provinces of Ifugao, Benguet, Kalinga-Apayao, Mountain Province, the Tingguian tribal minority of Abra, the Bagbag tribe from

the interior communities of eastern Ilocos Sur, and the tribal minorities of Nueva Vizcaya.

Also in attendance were native-born church and labor leaders, lawyers, teachers and other professionals as well as student and youth leaders.

Cited as an example of wanton encroachment to ancestral domain were those dislocated from the sites of hydroelectrical dams along the Agno and Magat rivers in Benguet and Ifugao respectively, and those deprived of their hunting grounds and forest products by the sudden declaration by the government of vast areas belonging to tribal Filipinos as parks, watershed reservation areas, forest reserves and other kinds of government reservations thus making the tribal minorities as squatters in the lands which to them had been theirs since time immemorial.

A delegate from Taloy Sur, Tuba, Benguet, said that when the

Ministry of Tourism (MOT) forced them out of their lands and homes, they were given a marginal payment for their ancestral homes.

"We did not like to leave because the land had been the source of our livelihood, but the government through the MOT has already designed the areas where our ricefields and kasigins were located, for something else," said the Taloy delegate who is connected with the government and refused to be identified.

Taloy used to be a teeming happy community within the municipality of Tuba, Benguet which is bordering the town of Pugo in La Union province. However, in the name of progress and development, the more than 150 Benguet Ibaloi tribal families who had long resided in the place were forced to leave the area.

It was cited in the Cordillera land congress that there had been hundreds of similar families displaced from

the hydroelectric dam sites of Ambuklao, Binga and Magat who are still not relocated and are living like nomads and as seasonal workers.

Also cited as another example of government disregard to the rights of the people there was the manner in which the Tingguian tribe of Abra were dislocated by the Cellophil Resources Corporation (CRC).

The CRC started as a private paper factory. It was later divested and converted by the government into a lumber company with timber concessions of more than 200,000 hectares that straddle the provinces of Abra, Kalinga-Apayao and Mountain Province.

To the Tingguians and Igorots, the encroachment into the primordial forest of the three provinces, was a violation of the traditional rights and customs of their tribes.

In their deliberation, many of the land congress participants pointed that they had been living in the Cordilleras with their ancestors as aborigines or at least first settlers in the area before the government came into being or was organized.

It was by this explanation that the tribal minorities of the Cordil-

lera mountain ranges in north Luzon, staked their claims over the area as their ancestral lands.

It was brought out that this tribal claim is protected by the general provisions of the 1973 Constitution, Section 11 Article-XV which says: "The State shall consider the customs, traditions, beliefs and interest of the national cultural communities in the formulation and implementation of State policies."

This provision, according to the land congress participants, had never been followed. Laws and decrees affecting the cultural minorities had been passed and issued without studying its effects on Filipino tribal minorities.

The discussion also cited the elders from Kalinga and Mountain Province for their successful struggle to stop the construction of four big hydroelectric dams along the Chico river that could have submerged their villages and ricefields.

They said that the same struggle, this time with the help of all cultural minority tribes in the Cordilleras, will continue in order to preserve the ancestral homes and domains of the tribal Filipinos.

RELEASED FOREIGN PRIEST VOWS TO RETURN

OW030541 Hong Kong AFP in English 0454 GMT 3 Jul 84

[Excerpts] Bacolod, Philippines, July 3 (AFP)—Two Roman Catholic foreign missionaries and six Filipino church workers were freed from jail here today after a judge threw out the multiple murder charges filed by the government against them. Columban Fathers Brian Gore from Australia and Niall O'Brien from Ireland and the laymen were cheered by hundreds of friends and followers at the end of their ordeal, which began with the 1982 ambush slaying of a town mayor and four others.

"I am filled with joy to be out of this terrible jail. But it is no more terrible than the conditions under which many of our people are living," Father O'Brien told reporters at the provincial jail as inmates silently saw them off.

"I am coming back," Father Gore said.

The priests agreed to leave the country within one month from today as part of an out-of-court settlement finalized in Manila last week under the auspices of the Justice Ministry.

Followers and colleagues of the accused as well as diplomats, churchmen and reporters from Australia and Ireland packed the tiny courtroom and fell silent as Kabankalan judge Emilio Legazpi [spelling as received] read his six-page decision. The crowd inside and outside the courtroom broke out in cheers and applause after the judge officially rendered his approval of the defense motion to dismiss the case. The prosecution did not object to the motion last week following the settlement.

Under the settlement, the foreign priests would leave within 30 days of the case dismissal, while the laymen would be placed under the custody of the judge and local church and police authorities for six months.

Father Michael Murray, provincial superior of the Columban priests, said Father O'Brien planned to leave on 11 July, while Father Gore would need two or three weeks to wind up his affairs in his parish of Oringao in Kabankalan.

Father Vicente Dangan, who was earlier dropped from the charge list for lack of evidence, said today: "Now, my freedom is whole because my companions are free."

Outspoken Bacolod Bishop Antonio Fortich in turn said the case proved that "when we stand up for truth and justice no frameup accusation can stand."

"I hope this serves the lesson to our people that the government will give them justice when they stand up and fight," he added.

CSO: 4200/871

BRIEFS

CARDINAL SIN ON SUCCESSION ISSUE--Vatican City, (AFP)--The main problem in the Philippines is "who might succeed President (Ferdinand) Marcos," the Archbishop of Manila, Jaime Cardinal Sin, said in an interview published here today. Quoted by the observatore ROMANO newspaper, Cardinal Sin stressed that the post of Vice President, reestablished a few months ago after a referendum, had "Partially" solved the problem of succession. The Cardinal, in Rome for a meeting of the Synod Council of Roman Catholic bishops, had a long talk yesterday with Pope John Paul II. The newspaper also gave considerable prominence to comments made several months ago by Cardinal Sin when he had said: "at this moment our country is like a boat caught in one of the most violent storms in its young history--but a boat which continues its course with care and determination." Cardinal Sin said that the murder last August of opposition leader Benigno Aquino "forged a unity in our people that had never been seen in the past." He pledged that the church would continue to aid Filipinos "in their struggle for freedom and the pursuit of their legitimate aspirations, avoiding the party of violence." [Text] [Manila THE MANILA PAPER in English 4 Jun 84 pp 1, 7]

BUSINESS CLUB ON ELECTIONS--Manila (AFP)--A prestigious business club today said that "a battering ram of enlightened people locked side by side ready to deliver the fatal blow" has dismantled the "dictatorship" of President Ferdinand Marcos. The Makati Business Club's Research Institute, analysing the results of the May 14 National Assembly elections, used unusually strong language when it said what was now needed was "the task of reconstructing a nation mired in the quick sands of plunder and profligacy." The club, closely identified with Makati industrial tycoon Enrique Zobel, said this reconstruction "involves no less than the restoration of guarantees against human rights violations." It also called for the "dismantling of onerous political and economic institutions which have weighted down and stymied human and economic development in the Philippine backroads." [Text] [Manila THE MANILA PAPER in English 4 Jun 84 p 8]

WAKAMIYA LINKED TO MNLF--Kiyoshi Wakamiya, a Japanese journalist who claims to have witnessed the Aquino assassination, is a courier of the Moro National Liberation Front, Maj Gen Prospero Olivas, PC Metrocom chief, told yesterday the Agrava board. Testifying for almost the whole day, Olivas said Wakamiya served as a bridge between the MNLF and former Sen. Benigno Aquino Jr. "In fact, Wakamiya has accompanied Aquino to Hongkong twice to meet with MNLF leaders based there," Olivas said. He said the purpose of the Hong-kong trip

was to allow Aquino to determine "his status" with the MNLF leaders. Olivas explained that he got this information from two books written by Wakamiya, copies of which he said were translated for him by a Japanese. The titles are "I Grew Up With My Gun," and "Returning Home to a Frontline Guerrillas Base." These were accepted by the board as evidence. It was not, however, made known to the press when the books were written or who are the publishers. [Excerpt] [Manila PHILIPPINES DAILY EXPRESS in English 28 Jun 84 pp 1, 6]

VIRATA ON MARCOS' FINANCE DECREES--Prime Minister Cesar Virata cited the importance of the new decrees issued by the president to strengthen monetary and banking facilities. He said the decrees will allow the government to restructure its foreign debt and provide additional [word indistinct] on the economy. Virata explained that one of the decrees empowers the central bank to create a subsidiary which will handle the consolidation of foreign borrowing. The country is set to restructure its debt to the international and commercial banks after the IMF approves the \$630 million standby credit. The government is to seek \$1.65 billion in new money from the bank. Prime Minister Virata also pointed out that [words indistinct] act will enable the government to consolidate the country's foreign borrowings and all [word indistinct] falling under the 1984-85 program. He said the restructuring effort will bring about new levels of debt service because the debts that have to be restructured with the bank are old debts. The new decrees also exclude trust funds from insurance coverage. They will also enable the banking industry to exchange credit information to facilitate transactions and borrowings from financial institutions. [Text] [HK290839 Quezon City Maharlika Broadcasting System in English 0400 GMT 29 Jun 84]

INTERNATIONAL RESERVES UP--Prime Minister Cesar Virata says there has been some improvement in the country's international reserves, which he said now stand at \$800 million. Meantime, Virata said the IMF team, which will hold negotiations with the Philippines on its standby credit, is arriving in the country this weekend. He said instructions to the team were to have been given by the IMF Board of management which met last Friday in Washington. Virata said what is certain at this point is that the IMF board wants to continue negotiations with the Philippines on the \$650 million standby credit. [Text] [HK021126 Quezon City Maharlika Broadcasting System in English 1100 GMT 2 Jul 84]

TERRORISTS, U.S.-BASED DISSIDENTS LINKED--At the Quezon City Court, Presidential Security Command legal officer Colonel Balbino Diego said urban terrorists with links to the anti-Philippine movement in the United States. Were responsible for the terror bombings in Metro Manila in 1980 and 1981. Colonel Diego disclosed this in testifying yesterday [2 July] before Judge Rodolfo Ortiz of the Quezon City Court. He based his information on items taken in the questioning of a captured urban terrorist leader. The colonel said the U.S.-based terrorist provided shipments of explosives as well as money to finance the urban terrorists. Diego identified the captured terrorist leader as Rolando Montiel, the head of the April 6th Liberation Movement. Colonel Diego testified at the resumption of the trial of the rebellion cases against former Senator Raul Manglapus and other U.S.-based Filipino dissidents. [Text] [HK040820 Manila Far East Broadcasting Company in English 2330 GMT 3 Jul 84]

COUNTRY AIMS TO BECOME MAIN DIAMOND CENTER

Kuala Lumpur BUSINESS TIMES in English 1 Jun 84 p 24

[Text]

SINGAPORE is aiming to take over from Hong Kong as Asia's main diamond trading centre without waiting for a windfall when the British colony reverts to China in 1997, an industry spokesman said today.

Vice-president David Tan of the Diamond Importers Association of Singapore (Dias) said Singapore had taken the first step to rival Hong Kong by improving the skills of the tradesmen here with the help of the Belgian Diamond High Council.

The lack of infrastructure for a manufacturing base is the chief disadvantage Singapore has against Hong Kong, which also has lower wages and corporate tax, Mr Tan told a Press conference to announce a course in diamond grading and identification.

He also said the Dias had been trying for two years to get Singapore

government clearance to establish a diamond exchange here with a trading room like those for other commodities.

The Dias, representing 39 companies here, is one of the 19 bourses (exchanges) under the World Federation of Diamond Bourses but operates through the bourses in other centres, he said.

According to the Belgian Council, the Hoge Raad Voor Diamant (HRD), nearly US\$29 million worth of Antwerp-cut diamonds was traded through Singapore last year, slightly over one-ninth of that through Hong Kong.

Mr Tan said Singapore's diamond trade could roughly be twice the HRD figures as Singapore businessmen who trade with Indonesia, Malaysia, Thailand and the Philippines were getting gems from other sources as well.

However, a spokesman for the HRD, which re-

SINGAPORE, May 31

presents about 5,000 Antwerp dealers accounting for more than half the world production of cut diamonds, was hesitant to predict an early Singapore dominance in the Asian gem market.

Mr Walter Baert said Singapore, despite technological and geographic advantages, would take a long time to compete with Asia's top diamond exporters like India and Israel whose expertise was built over generations.

"But Singapore's importance as a trading centre like Hong Kong will not diminish, it can only grow," he added.

HRD Gemmology Institute manager Mark Van Bockstael, who is here to conduct the two-week course, the second in a year, said Singapore should aim to excel in skills such as jewellery design rather than go for a diamond cutting or polishing industry. — AFP

FAMILY PLANNING INCENTIVES OFFERED

Penang THE STAR in English 3 Jun 84 p 3

[Text]

SINGAPORE, Sat. — Singaporeans caught in the poverty trap of low income, low education and large families are to be given a helping hand by the Government.

Starting this month, the Government will give \$10,000 each to poorly educated mothers below 30 years old who get themselves sterilised or ligated after their first or second child, the Prime Minister's Office announced.

The aim is to encourage poorly-educated and low-income Singaporeans to stop at two so that their children will have a better chance in life.

A very rough estimate of the number of eligible under the scheme women might be around 50,000. This would put the maximum possible cost of the scheme at around \$500 million.

This is the first ever actual incentive offered by the Government in the nearly two decades of its vigorous family planning programme.

All along, it has been the stick — of higher delivery charges and low priority in school admission, for instance — that has propelled Singaporeans towards the stop-at-two target.

Now, for a certain section of the population, there is

the carrot of \$10,000 to help in the purchase of a flat.

But together with the carrot comes a bit more of the stick.

Starting next March, mothers delivering their third and subsequent children in lower class wards of government hospitals will pay higher delivery fees. These raised fees will be closer to those charged by private hospitals.

But the fee will be waived if the mother gets herself sterilised or ligated within six weeks of giving birth, whatever the number of children she may have had.

In its statement, the Prime Minister's Office spells out the conditions for the \$10,000 grant:

- The mother must be under 30 years old and be sterilised or ligated after the first or second child;

- Both parents must be Singapore citizens or permanent citizens and neither must have any "O" level passes; and

- The combined monthly family income must not be more than \$1,500.

If an eligible woman decides to take up the offer and gets herself sterilised or ligated after her first or second child, the Government will pay \$10,000 into her Central Provident Fund (CPF) account.

The money can then be used to pay for a flat.

CHRONOLOGY

CHRONOLOGY OF EVENTS 16 FEBRUARY-15 APRIL 1984

Hanoi VIETNAM COURIER in English May 84 pp 31, 32

[Text]

16. Ending of a visit to the Socialist Republic of Vietnam by a delegation of the State Planning Committee of the USSR to exchange views on improving and expanding economic relations between the two countries in 1986—1990.

— A trade delegation of the Vietnamese Government, headed by Le Khac, Minister of Foreign Trade, visits Laos to review with the Lao side goods exchanges over the past year and to discuss plans for 1984.

19—22. An American Jelegation, led by Assistant Secretary of Defence Richard Armitage, visits Vietnam to discuss problems concerning American M.I.A.s in the Vietnam war.

20. Signing of a protocol on educational cooperation in 1984 between the Ministry of Education, Ministry of Higher Education and Secondary Vocational Education and the General Department of Job Training of the SRV on the one hand and the Ministry of Education of the People's Republic of Kampuchea on the other.

21. Signing of a protocol on sea transport in 1984 between the SRV and the GDR.

22—23. Hanoi: Holding of a Consultative

Conference of Presidents of Parliamentary Groups of Socialist Countries, members of the Inter-Parliamentary Union (IPU).

24—29. At the invitation of the Vietnamese Government, an economic delegation of the Romanian Government pays a friendship visit to Vietnam and attends the 7th session of the Inter-Governmental Commission for Economic, Scientific and Technological Cooperation between Romania and Vietnam.

25—26. Hanoi: Holding of a seminar for "Peace, Stability and Friendship in Southeast Asia" between Vietnam and Indonesia.

26. Hanoi: Holding of a ceremony to confer the Soviet Union's Orders of the Red Flag and the Red Star on Vietnam People's Army leaders.

28. Holding in Hai Phong of a national conference to review achievements in agriculture over the past three years (1981—1983).

28 Feb.—3 March: A delegation of the Ministry of Culture of the USSR, headed by Vice-Minister P.I. Shabanov, pays a visit to Vietnam.

MARCH

1 — 14. Holding in Hanoi of an Indian Trade Exhibition.

5 — 8. Holding in Phnom Penh of the 7th session of the Mekong Interim Committee.

7. A second national conference on manpower distribution and land zoning is held in Hai Hung (for the Northern provinces) and in Ho Chi Minh City (for the Southern provinces).

11 — 13. Foreign Minister Nguyen Co Thach visits Indonesia.

13. The Secretariat of the Communist Party of Vietnam Central Committee issues an instruction on the celebration of the 30th anniversary of the Dien Bien Phu Victory and the 40th anniversary of the founding of the Vietnam People's Army.

14. Hanoi: The Vietnam Institute of Science holds a conference with a visiting delegation of the State Committee of the USSR for Science and Technology on the occasion of the 25th anniversary of the signing of the Vietnam — USSR agreement on scientific and technological cooperation.

— Hanoi: A ceremony is held on the occasion of the 25th anniversary of the founding of the Vietnam State Commission for Science and Technology.

14 — 19. At the invitation of the Australian Government, Foreign Minister Nguyen Co Thach pays an official visit to Australia.

14 — 28. A Foreign Ministry delegation of Czechoslovakia visits Vietnam.

15 — 28. A French Communist press delegation, led by François Hilsun, visits Vietnam.

16 — 23. A Congolese delegation, headed by Ndessabeka Wilson Abel, General Secretary of the Ministry of Cooperation, visits Vietnam.

22. Ending of a visit to Vietnam by a delegation of the Central Committee of the Communist Party of Czechoslovakia.

23 — 26. At the invitation of Foreign Minister Nguyen Co Thach, Finnish Foreign Minister Paavo Vayrynen pays an official visit to Vietnam.

24 — 27. Hanoi: Holding a symposium on "the role of the rural youth in integrated rural development in Asia and the Pacific", following an initiative of the Centre of Integrated Rural Development for Asia and the Pacific (CIRDAP).

26. A delegation of the SRV National Assembly, headed by Chairman Nguyen Huu Tho, pays an official friendship visit to the People's Republic of Bulgaria.

27 March — 4 April: An economic delegation of the GDR Government visits Vietnam to attend the 12th session of the Vietnam — GDR Commission for Economic, Scientific and Technological Cooperation.

28. President of the Council of State Truong Chinh and Chairman of the Council of Ministers Pham Van Dong send a message of condolence to the Government of the Guinean Revolutionary and People's Republic on the death of President Ahmed Sékou Touré.

31. A spokesman for the SRV Foreign Ministry issues a statement demanding that Thailand immediately stop lending a hand to Beijing and the Pol Pot gang.

APRIL

2 — 9. A delegation of the SRV National Assembly, headed by Chairman Nguyen Huu Tho, pays an official friendship visit to the Socialist Republic of Romania.

3. Hanoi: Signing of an agreement between the governments of the GDR and the SRV on solidarity aid for Vietnam in 1984.

— A spokesman for the SRV Foreign Ministry issues a statement demanding that China immediately end its acts of sabotage against the security and the normal life of Vietnamese people in the northern border areas.

3—9. Lieutenant-General Le Trong Tan, Chief of the General Staff of the Vietnam People's Army, pays an official visit to India.

4. A spokesman for the SRV Foreign Ministry issues a statement demanding that Thailand immediately stop its support to the genocidal Pol Pot clique.

5. The SRV Council of State issues a decree on the protection and utilization of historical and cultural vestiges and beauty spots.

— The Vietnamese Traditional Theatre Troupe ends its successful two-month tour in Europe. It gave performances in the GDR, the FRG, France, Italy, Belgium and West Berlin.

15. Founding of a National Commission on Demography and Family Planning with Vo Nguyen Giap, Vice-Chairman of the Council of Ministers, as its President.

CSO: 4200/873

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